

The Manager,
Listing Department,
National Stock Exchange of India Ltd.,
'Exchange Plaza' C-1 , Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai-400 051.
Security ID: SUBROS

Dy. General Manager,
Department of Corporate Services,
BSE LIMITED,
First Floor, P.J. Towers,
Dalal Street, Fort,
Mumbai – 400001.
Security ID: 517168

Dear Sir/Madam,

Sub: Annual Report for FY 2023-24 and Notice of 39th Annual General Meeting (“AGM”)

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), the Annual Report for the financial year 2023-24 along with Notice of AGM sent to the Shareholders through electronic mode is attached.

This is to inform that the 39th AGM of the Company will be held on Wednesday, 18th September, 2024 at 11.30 a.m. through Video Conferencing / Other Audio Visual Means.

The said Notice of AGM and the Annual Report is also available on the website of the Company at www.subros/investor.html.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For **SUBROS LIMITED**

Kamal Digitally signed
by Kamal
Samtani
Samtani Date: 2024.08.26
18:12:39 +05'30'

Kamal Samtani
Company Secretary


ANNUAL REPORT

2023-24

Towards a Resilient Future




Cooling the Planet



VISION
We aim to provide comfort by adopting new & innovative technologies, while striving to make the planet a better place.



CORE VALUES




RESPECT

- Respect for individual irrespective of level
- Respect for all stakeholders




PASSION & COMMITMENT

- Inspired minds
- Drive Excellence
- Keeping Promises



TRUST

- Integrity - Personal & Professional
- Transparency



TEAM WORK

- Shared Purpose
- Collaborative Action
- Joy & Happiness at the Workplace

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To view our online reports
please log on to
www.subros.com

Disclaimer: This document includes statements regarding anticipated future events and financial performance of Subros Limited that are forward-looking in nature. These forward-looking statements involve assumptions and are subject to inherent risks and uncertainties. There is a significant risk that these assumptions and predictions may not be accurate. Consequently, readers are advised not to place undue reliance on forward-looking statements, as several factors could cause actual results and events to differ materially from those projected. This document should be read in conjunction with the assumptions, qualifications, and risk factors detailed in the Management Discussion and Analysis section of this Annual Report.



CORPORATE INFORMATION

Chairman Emeritus**Mr. Ramesh Suri****Board of Directors**

1. **Ms. Shradha Suri**
Chairperson & Managing Director
2. **Dr. Jyotsna Suri**
Director
3. **Mr Parmod Kumar Duggal**
Executive Director & CEO
4. **Mr. Hisashi Takeuchi**
(Representative of Suzuki Motor Corporation, Japan)
5. **Mr. Naohisa Kuriyama**
(Representative of Denso Corporation, Japan)
- Mr. Yosuhiko Iida**
Alternate Director
6. **Mr. Tomoaki Yoshimori**
(Representative of Denso Corporation, Japan)
7. **Justice Arjan Kumar Sikri (Retd)**
Independent Director
8. **Ambassador Deepa Gopalan Wadhwa, IFS (Retd)**
Independent Director
9. **Mr. Ashok Lavasa, IAS (Retd)**
Independent Director
10. **Mrs. Vanaja Narayanan Sarna, IRS (Retd)**
Independent Director
11. **Mr. Arvind Kapur**
Independent Director
12. **Ms. Smita Piyush Mankad**
Independent Director

Chief Financial Officer

Hemant Kumar Agarwal

Company Secretary

Kamal Samtani

Statutory Auditors

Price Waterhouse Chartered Accountants LLP
Building No. 8, 7-8 Floor,
Tower B, DLF Cyber City
Gurugram - 122002

Cost Auditors

M/s. Chandra Wadhwa & Co.,
Cost Accountants
1305-1306, Vijaya Building
17, Barakhamba Road,
New Delhi - 110002

Secretarial Auditor

RSM & Co.
Company Secretaries
2E/207, Caxton House
Jhandewalan, Extension
New Delhi - 110055

Registrar & Transfer Agent

MCS Share Transfer Agent Ltd
F 65, Okhla Industrial Estate, Phase-I,
New Delhi - 110020
Email: admin@mcsregistrars.com

Works

- 1) **Central Works**
B-188, Phase-II, Noida P.O. N.E.P.Z.,
Distt. Gautam Budh Nagar (U.P.)
- 2) **Subros Technical Centre**
C-51, Phase-II, Noida, P.O. N.E.P.Z.,
Distt. Gautam Budh Nagar (U.P.)
- 3) **Subros Tool Engineering Centre**
A-16, Sector 68, Noida (U.P.)
- 4) **Die Casting Plant**
B-216, Phase-II, Noida 201304
Distt. Gautam Budh Nagar (U.P.)
- 5) **Manesar Plant**
Plot No.395/396 & 403, Sec-8, IMT
Manesar, Dist. Gurgaon (Haryana)
- 6) **Pune Plant**
Plot No.B-8 & 9, MIDC Indl. Area,
Chakan, Pune (Maharashtra)
- 7) **Chennai Plant**
A-20/1, SIPCOT Industrial Growth Centre
Oragadam, Chennai (Tamil Nadu)
- 8) **Karsanpura Plant**
Plot No. 508, 509, 512, 514, 516, 517,
Village-Karsanpura, Taluka-Mandal,
Ahmedabad, Gujarat
- 9) **Nalagarh Plant**
Village Theda, Tehsil Baddi,
Distt. Solan, Himachal Pradesh

Regd. & Corporate Office**Subros Limited**

(CIN:- L74899DL1985PLC020134)
LGF, World Trade Centre,
Barakhamba Lane,
New Delhi 110 001
Phone No: 011-23414946 - 49
Fax: 011-23414945
Website: www.subros.com



MESSAGE FROM CHAIRPERSON & MANAGING DIRECTOR

Dear Shareholders,

As we reflect on the fiscal year 2023-24, it is with great pride and gratitude that I present to you the 39th annual report of Subros Limited. In FY24, the Indian economy demonstrated robust growth, driven by a confluence of factors. India has grown to be the 5th largest economy in the world and the 3rd largest in the mobility sector. The country is moving towards becoming a resilient economy backed by sound government policy.

The dynamism of India has made it a key manufacturing hub for the nation and the world. The year gone by has been significant with various positives, inflation was under control, GDP stood at 8.2%, the stock market touched new heights and infrastructure development picked up momentum. The government has aggressively invested in infrastructure, including roads and highways, leading to an increase in jobs, income, and eventually, consumption. There have been challenges and disruptions in supply chain however, industry has been able to adapt and realign.

The mobility sector today stands at an inflexion point as it transitions from just being automotive manufacturing to mobility. Interestingly, exports are growing rapidly for the sector and in some quarters, have even overtaken imports. The **'Make in India'** drive towards a **'Viksit Bharat'** is real and the entire mobility sector is now surging towards being future ready and resilient.

The sector is witnessing a transformative era driven by rapid technological advancements and shifting consumer preferences. There are transitions in energy, supply chains, and digital transformations backed by AI, machine learning, transitions in consumer preferences and most importantly, transition in people and skills. A key driver of growth in India is the rebound in domestic consumption, spurred by rising disposable incomes and pent-up demand over the past 2 years. A main influence shaping the market includes the growing adoption of Hybrid (SHEV) and Electric Vehicles (EVs) as governments and OE's push for greener alternatives to combat climate change. Alternate fuels are increasingly gaining traction both in passenger vehicles as well as buses, trucks, and railways.



Further, connectivity and automation are revolutionising vehicle design, with smart features and autonomous driving technology becoming increasingly main stream.

For Subros, FY 2023-24 has been marked by significant achievements, strategic advancements and a resilient performance despite the varied challenges faced by the automotive industry. We witnessed a strong rebound in the automotive market, leading to higher revenues and better profitability. The Company has clocked a 9% growth in revenue, which now stands at INR 3,071 crores and doubled its profitability as compared to last financial year. This was the result of a robust localisation plan backed by improvements in operational efficiencies via various initiatives across plants and departments.

Subros has been able to diversify its customer portfolio and has made considerable inroads into the railways as well as the commercial vehicle sector (both trucks and buses). As the sector transitions and technology evolves quickly, the company is investing heavily in capacities, process engineering, skilling, design and development.

During the year, we have taken steps towards expanding our market reach, especially in thermal solutions for railways and the commercial vehicle segment. Further, In-house development of Thermal solution for the Hydrogen bus and rail coach are key initiatives taken during the year.

Our R&D initiatives have been pivotal in driving innovation and ensuring that we stay ahead of the curve in a highly competitive landscape. Along with the long term technology roadmap, we have also formulated a roadmap for automating manufacturing and inspection processes across all plants.

Another initiative we are very proud of is that of diversity, equity, and inclusion. We believe that diversity is at the centre stage of innovation and concerted efforts are being made for gender balance as well as integrating differently abled individuals into the workforce. You would be happy to note that these initiatives have had a direct impact on the company's PQCDsME parameters.

At Subros, we are committed to sustainable growth and responsible governance. We believe that sustainability is not a buzz word, it is responsibility that we all shoulder for the future generations, and at Subros we take this seriously. Our efforts in sustainability (ESG) are not limited to compliance, but are deeply ingrained in our corporate ethos. We have made significant strides in reducing our carbon footprint, enhancing energy efficiency, and promoting green practices across our operations. Our governance framework has been strengthened to ensure transparency, accountability, and ethical conduct.

Subros is deeply committed to Corporate Social Responsibility (CSR), it is integral to our mission of sustainable growth and societal impact. Our CSR initiatives span various domains, focusing on education, healthcare, and environmental sustainability. Through partnerships with local communities and NGOs, we have implemented programs aimed at enhancing educational infrastructure, providing scholarships and promoting skill development among youth.

As we stand at the forefront of huge opportunities, it is imperative that we continuously build capital and invest it in technology and people. Capital will be the ammunition needed to grow and grab the opportunities and it cannot happen with the people being skilled, re-skilled and up-skilled alone. To meet the needs of this technology transition, the aim is to evolve from **'Make in India'** to **'Design and Make in India'** not just for India but for the world.

The future holds immense potential for Subros. With the automotive industry poised for further growth, driven by advancements in electric vehicles and smart technologies, we are well-positioned to capitalise on these opportunities. Our strategic roadmap focuses on innovation, growth, and digital transformation to drive sustained growth and create value for our stakeholders.

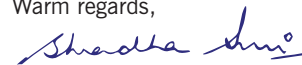
On behalf of the Board and our entire team, I extend earnest gratitude to our esteemed customers for their trust and partnership.

A sincere thank you to our valued partners, Suzuki Motor Corporation, Japan and DENSO Corporation, Japan, for their continued support in advancing both product and process technologies and for collaborating on our future technology roadmap.

I also wish to acknowledge our supplier base, who have stood by us and evolved with us through these decades. Our dealers, bankers, and financial institutions for their collaboration as we embark on our growth trajectory.

I am deeply appreciative of our Board members, whose guidance has been invaluable through all phases of work. To Team Subros, your hard work, support, and commitment are the cornerstone of our success. It is your efforts that will propel Subros forward in this vital era of mobility. And finally, a big thank you to our Shareholders for believing in us and standing by us over the years, it is because of your trust that we are driven to do better.

Warm regards,

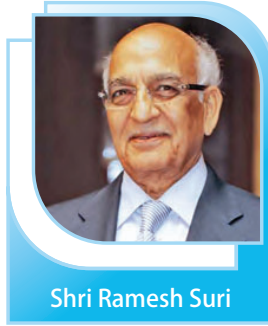


Shradha Suri

Chairperson & Managing Director



CHAIRMAN EMERITUS



Shri Ramesh Suri

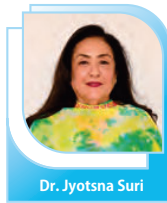
Founder

OUR BOARD



Ms. Shradha Suri

Chairperson & Managing Director



Dr. Jyotsna Suri

Director



Mr. Naohisa Kuriyama

Representative of DENSO Corporation, Japan



Mr. Hisashi Takeuchi

Representative of Suzuki Motor Corporation, Japan



Mr. Tomoaki Yoshimori

Representative of DENSO Corporation, Japan



Mr. Yasuhiro Iida

Alternate director



Justice Arjan Kumar Sikri, (Retd.)

Independent Director



Ambassador Deepa Gopalan Wadhwa, IPS (Retd.)

Independent Director



Mr. Ashok Lavasa, IAS (Retd.)

Independent Director



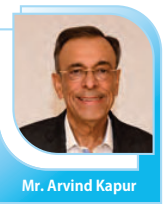
Mrs. Vanaja Narayanan Sama, IRS (Retd)

Independent Director



Ms. Smita Piyush Mankad

Independent Director



Mr. Arvind Kapur

Independent Director



Mr. P.K. Duggal

Executive Director & Chief Executive Officer

TOP MANAGEMENT



Ms. Shradha Suri

Chairperson & Managing Director



Mr. P.K. Duggal

Executive Director & Chief Executive Officer



Mr. Amit Kumar Parashar

EVP & COO (Operations)



Mr. Srinidhi Dampur

EVP - Technical Centre



Mr. Hemant Kumar Agarwal

CFO & SVP Finance

SUBROS AT A GLANCE

Subros Limited is a leading manufacturer in the automotive thermal sector, providing top-notch solutions for vehicle air conditioning and engine cooling requirements. Established in 1985, Subros has grown to become a trusted partner for major automotive OEMs (Original Equipment Manufacturers) in India. Our comprehensive product portfolio includes HVAC systems, compressors, condensers, heat exchangers, and engine cooling modules. With cutting-edge R&D facilities and collaborations with global technology leaders, Subros continuously innovates in product development. We hold a dominant presence in the Indian automotive market, committed to



sustainability, we implement green manufacturing practices and focus on reducing our carbon footprint. Our strategic expansion plans and investment in advanced manufacturing technologies position us for future growth, including diversification into electric and hybrid vehicle cooling solutions. Our mission is to deliver high-quality, innovative thermal solutions that exceed customer expectations, contributing to the advancement of the automotive industry. Subros remains at the forefront of the automotive thermal industry, dedicated to providing superior thermal solutions and contributing to the success of our partners and the industry at large.

OUR PRESENCE

MANESAR

Plant in Manesar in vicinity of the OEM factory on a land area of 38000 sq mts. The plant is equipped with latest state of the art manufacturing and testing facilities. Manesar Plant produce REC condensers, HVAC assembly, kitting parts, and ECM assembly.



NOIDA

Compressor & Heat Exchanger Plant

The compressor plant produces compressors for various vehicle applications. The facility covers Precision Machining centres, Nocoloc Brazing Furnaces, Vacuum Brazing Furnaces and Tube Processing equipment. The production lines incorporate extensive in-line quality checking equipment to ensure that the quality is in-built in to the process. The Heat Exchanger plant produces multi flow condensers cores and RS Evaporators.



Pressure Die Casting Plant

The facility has unique Squeeze & Vacuum Pressure Die Casting to produce high quality intricate castings for compressor blocks.



KARSANPURA

Manufacturing facility in Karsanpura, Gujarat, is strategically located in close proximity of Suzuki Motors Gujarat Hansalpur Plant. Our plant stands encompassing a sprawling plot area of 17 acres. The plant is equipped advanced manufacturing lines and productivity. Karsanpura plant produces HVAC assembly, kitting parts, injection molding parts and radiators. Plant has expanded and added condenser assembly and RS evaporator. We use special purpose machines for high quality and productivity. Best in class safety features are installed in the plant.



CHENNAI

Chennai plant caters the customers based in southern part of India. The plant produces HVAC assembly, condensers and kitting parts. The plant also manufactures AC systems for the commercial vehicle segment, bus segment, transport refrigeration segment, rail segment and AC parts for After Market requirements.



PUNE

Pune Plant has been built in Chakan, Pune on a land area of over 24000 sq mtrs. The plant's vicinity to Tata Motors Limited helps in providing faster and efficient service to the customer. The plant also caters to the requirements of all other customers based in Western part of India.



NALAGARH

Nalagarh is a fully integrated State of the art facility having manufacturing and assembly of residential and commercial cooling products (Window AC, Split AC, Commercial units). The Plant includes manufacturing of Fin-Tube Type heat exchangers, Fin Press, Expanders, Automatic Brazing Machines, Cross Flow Fan Manufacturing & Plastic Molding along with Fully Automated Paint shop & other related equipment. It is backed by strong design capability and also has Laboratory to design & test the complete product as per customer requirements.



SUBROS TECHNICAL CENTRE & DENSO SUBROS ENGINEERING CENTRE, NOIDA

Driven by the need to be self-reliant, reduce product development costs and acquire a competitive edge, Subros has invested heavily to augment Research and Development. This setup comprises the entire product design, development, and validation cycle.

The facility enables virtual prototyping and simulation of various Thermal Management Systems for optimum efficiency in design, space allocation, airflow and cooling under different climatic conditions, among other things. The design and analysis facilities include Catia V5, Unigraphics, CREO, CAE (NASTRAN)/CFD (CCM) + 1D Simulation (KULI). In addition, Subros has established a comprehensive validation centre for both component and vehicle testing.

The company continuously invests in innovative technologies and has several patents. The main locus behind the design is safety and sustainability. Subros also has a separate Joint Venture with DENSO called DENSO Subros Engineering Centre (DSEC), which focuses on application design for thermal products. The centre comprises an Environment Test Chamber (Wind Tunnel), equipped with test components in temperatures varying from -30°C to +60°C under varying speed and sun load conditions, a Calorimeter (Bench Test Rig) and Vibration Test Machines for component testing. The technical centre is also suitably enabled to carry out endurance and reliability tests with advanced machines like burst tests, salt spray chamber tests, and pulsation tests.



SUBROS TOOL ENGINEERING CENTRE

The Subros Tool Engineering Centre (STEC) is a world-class facility equipped with state-of-the-art machineries such as CNC Machining Centre, Wire EDM, CNC EDM, and CNC Lathe, along with other conventional tool room machines. This neoteric facility is also endowed with CAD-CAM facility with Unigraphics NX19 along with CAE softwares Mold flow, Hyper form, Ad Stefan, which forms the backbone of this design and development centre. Our qualified and experienced team fulfils and tooling requirements such as PDC Dies, Injection Moulds, Sheet Metal Tools.

Our Quality section is equipped with Coordinate & Contour Measuring Machines to ensure a Final Quality Product. To ensure customer goals, we have a dedicated program management team with regular project tracking through Bulls Eye Software. With its competence to handle dies up to 30 tons, STEC is adept at niche tooling to meet specialty tool requirements for import substitution and exports.



AWARDS & RECOGNITIONS

23-24

- Award by Maruti Suzuki in recognition of Overall Performance
- Award by Maruti Suzuki in recognition of Localization of Design & Development
- ACMA Award in Manufacturing and Safety
- ACMA Quality Improvement Award
- ACMA Atmanirbhar Excellence Awards - 2023-24
- CII Award in challenger, Low cost Optimization & 3M Competition
- CII - Kaizen and Poka Yoke Competition Award in Kaizen and Poka Yoke & Kaizen
- Indian Society of Quality Award in ISQ Tops Convention
- Patent granted by GOI in FY 2023-24 for Innovation and Teamwork

22-23

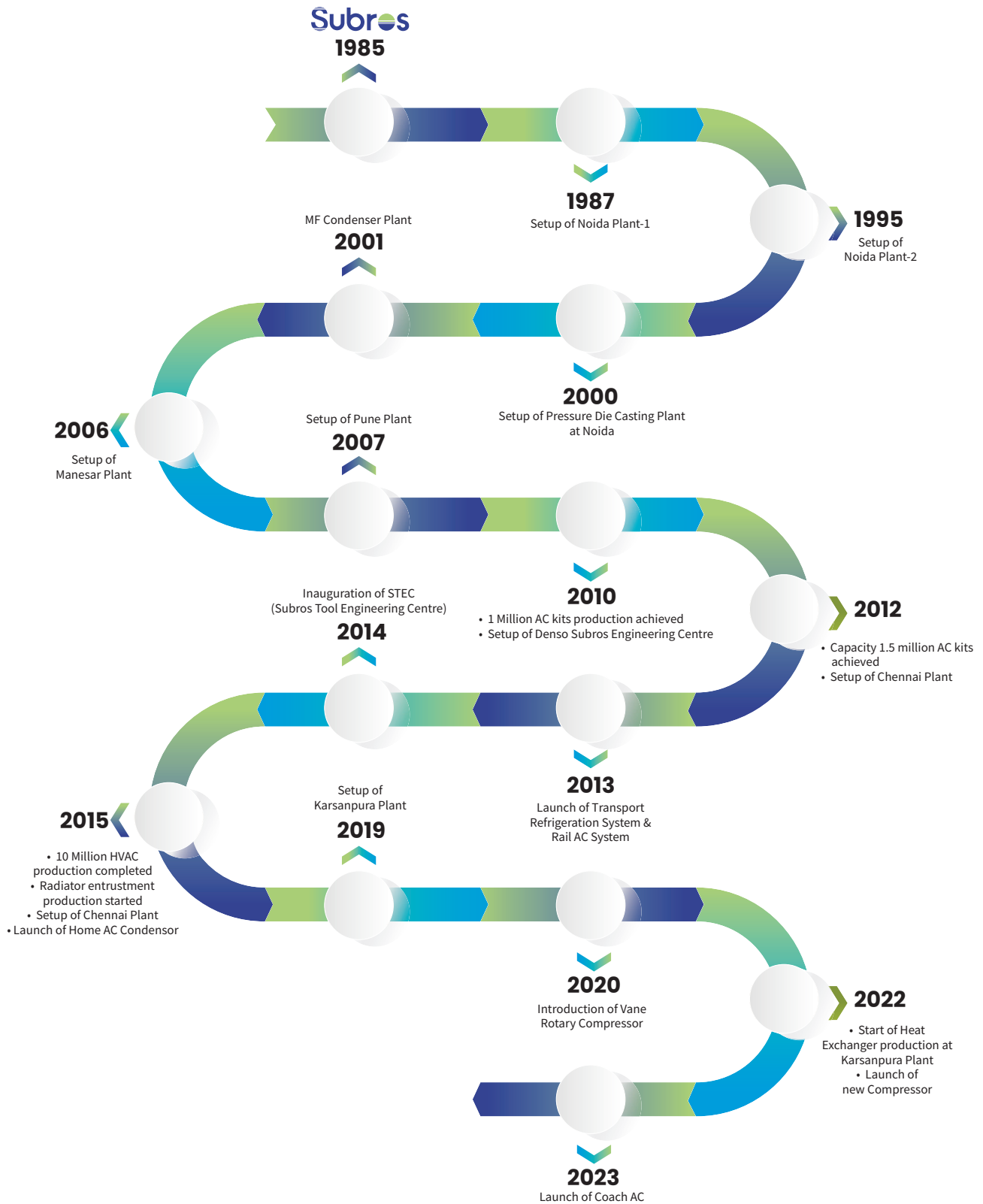
- Award by Maruti Suzuki in recognition of Overall Excellence
- Award by Maruti Suzuki in recognition of Inner Part Localization
- Award by Maruti Suzuki in recognition of Localization of Design and Development (D&D) Capability
- Award by Maruti Suzuki in recognition of OEM Project Support
- CII Awards: Inter-industry Kaizen Competition - Winner of the year 2023 "Par Excellence Team" category
- CII Awards: Inter-industry Kaizen Competition - Winner in "HR Manpower Saving" category
- CII Awards: Inter-industry Kaizen Competition - 1st runner-up in "CRM/Customer Satisfaction" category
- CII Awards: Poka Yoke Competition - Platinum and Silver awards in Alarm Category; Silver Award in Shutdown category
- Golden Peacock award in GPNQA
- International Quality circle award from IQMA
- Supplier Quality Circle Award by Tata Motors

21-22

- Award from Maruti Suzuki in recognition of superior performance in the area of Advanced technology research and deployment
- Award from Maruti Suzuki in recognition of Overall performance during the year
- Award from Maruti Suzuki in recognition of superior performance in the area of Inner part localization during the year
- National Energy Conservation Award - 2021 (BEE) - Ministry of Power (2nd prize in Plastic Sector)
- ACMA Atmanirbhar Excellence Awards (Gold-Safety, HR Localization; Silver-Digitization; Bronze - Manufacturing Excellence)
- National award for Manufacturing competitiveness 2021 organized by IRIM
- Golden Peacock award in Business Excellence
- ACMA Appreciation Award for New Product Design and Development



SUBROS HISTROY



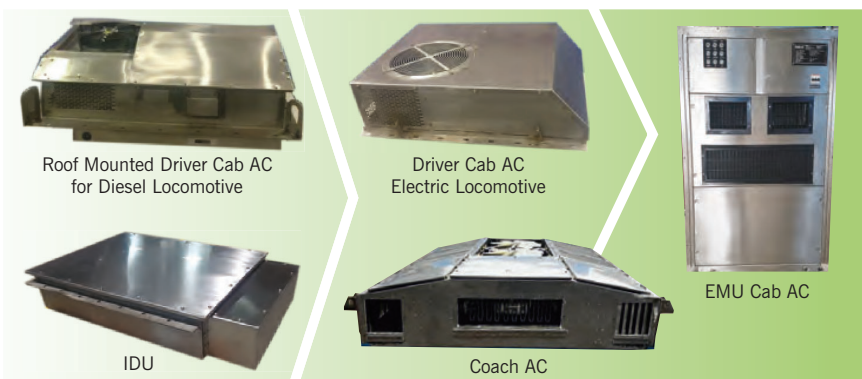
PRODUCT RANGE - PASSENGER VEHICLE AC

The Company manufactures compressors, HVACs, piping's and heat exchangers to suit various vehicle configurations. Our products are reinforced by the technological expertise of our JV partner Denso who are the world leaders in their domain.



RAILWAY AC

Subros provides tailored system solutions for driver cabin AC of railway engines featuring compactness, flexibility and easiness to install, irrespective of whether they are diesel or electricity driven engine. Research Designs & Standards Organisation "RDSO" has approved the Subros facility roof-mounted package AC unit manufacturing for LHB coaches; the product approval is in process with RDSO. We are also working on development of units of Coach AC.



TRANSPORT REFRIGERATION SYSTEM



Our complete range of transport refrigeration solutions is suitable for storage volume upto 50 cu.m. Subros is the only company offering integrated solution consisting of Refrigeration Kit and the insulated container. New range of Reefer systems with Phase change material based plates and electrical compressor systems has been added in product range.

RESIDENTIAL AND COMMERCIAL COOLING PRODUCTS

Subros has a complete range of Residential Air Conditioners i.e. Window AC & Split AC system & supplying these products as OEM/ODM to all the leading brands in the market. Subros caters to the demands of both Residential & Commercial Air-conditioner market by providing a comprehensive product range of Light Commercial AC (1.5TR ~ 4.0TR) & Ductable AC ranges (5.5TR~17.0TR) to the customer.



COMMERCIAL VEHICLE - BUS AC

Subros provides a complete range of Bus Air conditioners & Transport Refrigeration Solutions. The complete range of Subros Air conditioners ranging from 4 KW to 36 KW capacities is suitable for ambulances and buses (4m to 12m). High cooling performance and air flow volume have been achieved by the introduction of highly efficient evaporator and condenser, and lowering air flow resistance. Fuel saving has been achieved by increased refrigeration cycle efficiency with the introduction of new multi-flow condensers. All Subros ACs use environment friendly R-134a refrigerant.



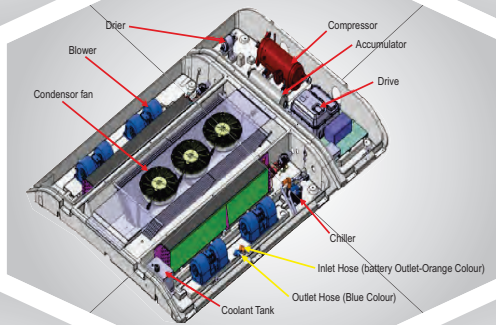
ELECTRIC BUS AIR CONDITIONING AND BATTERY THERMAL MANAGEMENT KIT DEVELOPMENT

In line with Government of India's vision for sustainable mobility and support for Electric Buses for public transport, there is urgent need to develop Electric Vehicle AC System and Battery thermal management systems suitable for Indian market.

The HVAC & the thermal management kit cover the thermal capacity requirement for mid-range electric vehicle segment & currently we are

offering this technology to Indian OEM's customers. Products suitable for up to 7m-12m length electrical Bus are designed and developed to meet requirement of Indian market.

Subros also developed the battery thermal management & traction motor cooling system to cover complete range of electric vehicles Thermal Management systems requirement.



DOJO CENTRE

DOJO (Skill Development Centre) A Miniature of the manufacturing lines are setup in DOJO for the realization of the basic manufacturing practices. Employees are skilled for their respective shop floor processes before their deployment on the line for meeting QCDD & PQCDMSME targets. This kind of training results in to:

- Developing discipline in new/existing employees, orienting them with 5S production methods. Adherence to rules or compliances, as part of DWM, inculcates an overall improvement in the worker's attitude.

- Development training for 5 Human senses (Eyes, Ear, nose, hand & Tongue) is given to new joiners / employees so as to find Variations ie Normal Vs Abnormal, Usual vs Unusual for Consistency of operations.

This leads to the improvement of all Senses of Employee while actual working in his area.

Our DOJO centre is Approved for providing Apprentice Training & certificate thru Govt of India (ASDC - Automative Skill Development Council)

NOIDA DOJO CENTRE



MANESAR DOJO CENTRE



CORPORATE SOCIAL RESPONSIBILITY

Development of the Society, that too, in a sustainable manner is in the very core of Subros Limited.

Subros' philosophy of CSR is cemented around 4 core pillars of development viz. Technology Elevation & Incubation, Community Development, Environment friendly Initiatives & skilling up of human resource.

It has always been the endeavour of the company to consolidate all the concerns associated with Social, Environmental & Technological with its journey of operational excellence & establish channels to interact with all the stakeholders for a futuristic comprehensive CSR approach.

Technology Incubation and Elevation: Subros is working closely with organizations like SAE India foundation, who is a pioneer in bringing technology innovation in the field of automotive engineering. SAE India has seen its 6th edition of research paper presentation in the month of September '23 & offered platform to more than 35+ innovative ideas which have potential to bring a change in the automotive arena.

Ramesh Suri Award was given to three unique ideas under the category "Best Innovation in Technology". This year SAE India connected with 100+ esteemed organizations & brought them on a single platform for this common objective.

(a) Enhancing quality of Education: Under the theme community development Subros has adopted three government schools in the nearby vicinity. These Schools adopt new methods of teaching like teaching through audio-video lab, learning kits, library & integration of yoga & Physical education under the supervision of expert teachers for the all-round development of the students.

(b) Social Initiatives: Under community development theme, Subros has partnered with leading NGOs to serve society at a micro level. Involvement of employees in such initiatives gives this entire initiative a sustainable edge & brings a feeling of personal belongingness. Welfare of abandoned people, home facilities for senior citizens & orphans etc. are the dimensions we focus upon.

(c) Infra development: Under community development Subros also works for the development of infra in Hospitals, Schools & other public utilities. Supporting School by providing with transport resource (School Van) for ferrying students free of cost is one such initiative.

(d) Contributing to special sports: Subros is doing its bit to promote special sports like "Special-Olympics Bharat" (an event for intellectually disabled), "games for visually disabled" & other programs organized for people with "special abilities".

Environmental sustenance: Subros is playing a pivotal role in preserving Mother Nature. Subros is taking major steps in this direction.

- (a) Plantation drive is a periodic feature across all the locations of Subros
- (b) Subros is amongst the very few companies where carbon emission monitoring is done
- (c) Waste water recycling & zero water discharge are amongst the one of the goals Subros is aiming at.

Our philosophy is based on our core purpose of "Cooling the Planet" & Subros is leaving no stone unturned to live by this philosophy in everyday life.

Skilling up of human resource (Bringing Financial Independence through skill-up program):

Subros is concerned about the upliftment & financial independence of the women folk & specially abled citizens of the society. Subros is running successfully special programs to achieve these objectives.

- (a) Computer literacy centre
- (b) Beautician centre
- (c) Tailoring School &

Atmnirbhar Kendra (for specially abled) are some of the initiatives that are being run in the nearby villages of the vicinity of Subros plants. All these centres are supervised by skilled teachers. Company also assist interested candidates to find employment in the nearby companies.



Management Discussion and Analysis

1. Industry Outlook

- 1.1 The automotive industry witnessed a mix of challenges and opportunities during FY 2023–24, influenced by factors such as supply chain disruptions, fluctuating raw material prices, and evolving consumer preferences. Despite these challenges, the industry showed resilience and adaptability, with several key trends and developments shaping its performance.
- 1.2 The shift towards electric vehicles continued to gather momentum, driven by regulatory initiatives, technological advancements, and increasing consumer acceptance. Several automakers announced ambitious plans to electrify their vehicle portfolios, leading to a surge in EV sales and investments in EV infrastructure.
- 1.3 There is a growing emphasis on sustainability and environmental consciousness across the industry. Automakers are increasingly investing in eco-friendly technologies, such as electric and hydrogen fuel cell vehicles. Initiatives to reduce carbon emissions throughout the supply chain are gaining momentum too. Also, the industry continued its digital transformation, with a focus on connected vehicles, autonomous driving technologies, and digital customer experiences. Automakers have increasingly integrated advanced technologies into their vehicles to enhance safety, convenience, and connectivity.
- 1.4 Looking ahead to FY 2024–25, the automotive industry is poised for further transformation and growth, driven by several key factors, including the adoption of electric vehicles. It is expected to accelerate, fuelled by government incentives, expanding charging infrastructure, and declining battery costs. Automakers will continue to launch new EV models and expand their EV portfolios to meet growing demand.
- 1.5 While fully autonomous vehicles may still be a few years away from mass adoption, the industry continues to make strides in autonomous driving technologies. Automakers will introduce more advanced driver-assist features and autonomous driving capabilities in their vehicles.
- 1.6 Sustainability will remain a priority, with automakers working towards reducing carbon emissions, increasing recycling rates, and promoting sustainable manufacturing practices.
- 1.7 While the automotive industry faced challenges in FY 2023–24, it also witnessed significant opportunities for growth and innovation. As the Company look ahead to FY 2024–25, the industry is expected to continue its transformation journey, driven by technological advancements, shifting consumer preferences, and evolving regulatory landscapes.
- 1.8 Looking ahead to FY 2024-25, the Company is optimistic about its growth prospects and strategic initiatives. The Company anticipate continued growth in the automotive sector, driven by increasing vehicle

demand and technological advancements. As a leading automotive thermal solutions provider, the Company is well-positioned to capitalise on these trends through its innovative products and customer-focused approach.

Automobile Domestic Sales Trends¹

Category	2020-21	2021-22	2022-23	2023-24
Passenger Vehicles	27,11,457	30,69,523	38,90,114	42,18,746
Commercial vehicles	5,68,559	7,16,566	9,62,468	9,67,878
Three Wheelers	2,19,446	2,61,385	4,88,768	6,91,749
Two Wheelers	1,51,20,783	1,35,70,008	1,58,62,771	1,79,74,365
Quadracycles	-12	124	725	725
Grand Total	1,86,20,233	1,76,17,606	2,12,04,846	2,38,53,463

2. Financial and Operational Performance

- 2.1 The Company delivered a strong performance in FY 2023–24, driven by its strategic initiatives and market position. The Company's financial and operational highlights for the fiscal year are given hereunder.
- 2.2 The Company reported total revenue of INR 3070.57 crores for FY 2023–24, representing a 9% increase from the previous year. This growth was driven by the strong demand for automotive thermal solutions, especially in emerging markets.
- 2.3 The Company's profitability improved significantly, with a net profit of INR 97.66 crores, up 103% from the previous year. This increase was attributed to cost optimisation measures and improved operational efficiency. The Company's operating margins have been INR 268.88 crores i.e. 87.6 % of Revenue of Operations. The Company's profits before tax have grown to INR 140.70 crores.
- 2.4 The Company continued to focus on improving its operational efficiency, with a focus on lean manufacturing and supply chain optimization. This resulted in reduction of operating costs and improved margins.
- 2.5. Each segment has contributed to positive growth in revenue. The thermal components used in the passenger vehicles segment have contributed to growth of 13%, whereas the commercial vehicles segment has contributed to growth of 12%, including truck AC products (12%) and bus AC products (11%).
- 2.6 Over the last five years, the Company has invested in geographical expansions, product technologies, and segment expansions. These investments are now paying off. The Company has allocated sufficient funds for the required capacity expansions at its plants. It has extensively worked on cost-cutting projects, optimising operational costs, and maximising profitability.
- 2.7 The Company has no long-term debts as of March 31, 2024.
- 2.8 The Company has utilised its accumulated MAT credit during FY 2023–24 and plans to shift to new tax rate regime structure to a 22% rate by April 1, 2024.



2.9 Key Financial Ratios

Particulars	FY 2024	FY 2023	Change (%)	Remark
Debtors Turnover Ratio (Times)	12.50	12.92	-3.24	
Inventory Turnover Ratio (Times)	6.35	6.55	-3.06	
Interest Coverage Ratio	23.04	27.75	-16.97	
Debt Equity Ratio	0.04	0.09	-61.47	(i)
Current Ratio	1.29	1.10	17.27	
Operating Profit Margin (in %)	8.76	6.70	30.75	(ii)
Net Profit Margin (in %)	4.58	2.53	81.03	(ii)
Return on Net Worth (in %)	15.38	8.20	87.56	(ii)
Networth (Rs. in crores)	955.85	867.12	10.23	

(i) Decrease due to repayment of long-term borrowings

(ii) Increased due to higher profits as compared to previous year on account of higher sales and lower cost of material consumed.

3 Research and Development

- 3.1 The Indian automotive market is going through a substantial transition phase fuelled by multiple policy reforms and regulations (CAFE, FAME, PLI, QCO's, Circular Economy Initiatives, etc.). These policy reforms are critical for realising targets for India's energy security, sustainable development, and achieving the country's net zero emission target by 2070.
- 3.2 As India moves towards increasing "green and sustainable" standards, roadmaps for future technologies are focused on energy-efficient and environmentally friendly products. Our dedicated research and development teams are working proactively to meet these anticipated requirements by harnessing advanced technologies.
- 3.3 The Company's in-house R&D capabilities helped it to locally design and develop hydrogen fuel cell bus integrated thermal management systems, HVAC, battery and traction motor cooling systems, controllers, and their integrations for the passenger and commercial electric vehicle segments.
- 3.4 The Company's focus on continuous innovation has resulted in seven new patents in FY 2023-24. In addition to this, it has received customer appreciation for innovative and faster design and development, and for active participation in technical conferences. Our research team has received special appreciation from the Society of Automotive Engineers India (SAEINDIA).
- 3.5 To meet the upcoming requirement of truck cabin AC, our R&D developed a compact and cost-effective AC kit that is based on a modular concept. This caters to a wide range of truck and pickup vehicles with minimal changes in casings and ducts. As per the diversification requirement, our research team developed rail coach AC products and developed testing and manufacturing infrastructure to support future requirements of the Indian Railways.
- 3.6 In view of the 'Make in India' movement, the Company is focusing on 'Design in India' and 'Manufacturing in India'. Under these programmes, the Company is leveraging strong support from DENSO Subros Thermal Engineering Centre India Private Limited (DSEC) to localise design activities and enhance local skills. This will enable better design of Indian and global products.

- 3.7 Regulatory changes for emission reduction, energy security, the circular economy, and safety are key drivers for a successful product development strategy. The Company has strengthened its local design and development capabilities by initiating in-house software development capabilities for the development of controllers, dedicated teams for localization of critical materials, focused teams for scouting for start-ups, and collaboration with academia.

4. Information Technology

- 4.1 In the rapidly evolving automotive sector, Information Technology (IT) plays a pivotal role, transforming vehicles into smart, connected devices. The Company's commitment to leveraging advanced IT is central to its operational excellence and strategic growth. It has strategically integrated IT across its value chain, driving efficiency, innovation, and customer-centricity.
- 4.2 Through the implementation of Industry 4.0 principles, the Company is digitising manufacturing processes. This includes the use of IoT devices, robotics, and real-time data analytics to optimise production, reduce waste, and enhance quality control.
- 4.3 The Company's IT systems are integrated with its suppliers and logistics partners, enabling real-time visibility into the entire supply chain. This allows us to optimise inventory levels, reduce lead times, ensure on-time delivery of components, and enhance its overall supply chain efficiency.
- 4.4 Information Technology addresses the engineering and design needs of the Company by implementing technology solutions at all stages of product development, manufacturing, and supply chain processes. Product Lifecycle Management [PLM] addresses the product development technology solution requirements of manufacturers, including end-to-end implementation of technology.
- 4.5 Given the critical nature of operations, the Company has implemented cybersecurity measures. These include advanced encryption, intrusion detection systems, and conduct of regular security audits to protect its business and customer data. New and emergent technologies bring unprecedented threats to connected devices, therefore, data security is becoming a growing concern. In present times, information security and cyber security are key business risks. The Company has taken cognizance of vital aspects of data security.
- 4.6 Disaster recovery for all business-critical systems has been given significant attention considering the increasing reliance on IT systems within the organisation.
- 4.7 The Company has developed a robust, long-term IT strategy roadmap based on the latest developments and innovations in Information Technology. Infrastructure, application support, data management, information security management, and skill competency are major pillars of Company's IT strategy roadmap.



5. Internal Controls and Their Adequacy

- 5.1 Internal controls are a crucial component of the Company's governance framework. This ensures that our operations are efficient, effective, and compliant with laws and regulations. The Company has implemented a robust system of internal controls to safeguard assets, mitigate risks, and ensure the accuracy and reliability of financial reporting. Below is an overview of our internal controls and their adequacy.
- 5.2 The Company has established a strong control environment with clear lines of authority and responsibility. Our management is committed to promoting a culture of integrity and ethical behaviour, which forms the foundation of our internal control system.
- 5.3 The Company conducts regular risk assessments to identify and prioritise risks that could affect its business objectives. Based on these assessments, the Company design and implement controls to mitigate these risks to an acceptable level.
- 5.4 The control activities are designed to prevent, detect, and correct errors and irregularities. These include segregation of duties, authorization procedures, physical controls, and IT controls.
- 5.5 The Company ensure compliance with applicable laws, regulations, and internal policies through its internal control system. This includes regular reviews and updates to the control framework to reflect changes in the regulatory environment.
- 5.6 The Company's internal controls are deemed adequate based on periodic assessments and audits. The Company engages external auditors to provide an independent assessment of the adequacy and effectiveness of its internal controls. Their recommendations help us to continuously improve control within our environment. The Company has integrated its processes as per the Committee of Sponsoring Organisations (COSO) framework, which has improved its financial reporting through effective controls, governance, and business ethics.

6. Risks, Concerns, Opportunities, and Threats

- 6.1 The Company has adopted an enterprise risk management (ERM) framework that is aligned with ISO 31000:2018 risk standards across all functions. The risk management process focuses on identifying risks, primarily in four categories: strategic, operational, financial, and regulatory.
- 6.2 In FY 2023–24, the following risks and mitigation actions were identified to ensure business continuity and growth:
- a. **Supply Chain Risk:** The Company envisages supply chain risk due to global turmoil, container shortages, and shipment movements in red sea areas impacting the import of the material and the higher lead time.

- b. **Cyber Security Risk:** Cyber Security Risk is most imminent, impacting IT processes and business continuity. The Company has taken various measures by implementing tools and technology to strengthen the IT infrastructure, data management, and backup systems. The Company has also taken out an insurance policy to mitigate the financial implications.
- c. **Regulatory Risk:** Introduction of quality control orders (QCO) on various raw materials used by the industry, environment-related guidelines issued by the Central Pollution Control Board, and other regulatory compliances that may impact operations. The Company has taken measures to comply with the QCOs and CAQM orders and is working on the identification of alternate sources of material suppliers of similar grade to mitigate supply and regulatory risks.
- d. **Technology Risk:** The Company may have business threats due to the non-availability or update of new technologies in automotive processes. The Company has adequately covered risks by having a separate research and development centre duly approved by the Ministry of Science and Technology and also being supported by Denso Corporation, Japan.

The Company has a Risk Management Committee that periodically reviews the risks and opportunities with the action plan. The Committee shares suggestions and advice with the management team for further improvement and provides guidance on new emerging risks.

7. Human Resources

- 7.1 The Company believe that it's people are the greatest asset, and the Company is committed to nurturing a culture of excellence, collaboration, and innovation. The human resources (HR) and management practices are designed to attract, develop, and retain top talent, ensuring that the Company has the right people in the right roles to drive the business forward. Below is an overview of it's approach to HR and management.
- 7.2 The Company has a rigorous recruitment process to identify candidates who have the right skills and experience whilst aligning with our values and culture. The Company strives to create a diverse and inclusive workforce that reflects the communities in which the Company operate.
- 7.3 The Company is committed to continuous learning and development of employees. The Company offers a range of training programmes to enhance skills and competencies, ensuring that it's employees are equipped to meet the challenges of a rapidly changing business environment.
- 7.4 The Company has a performance management system in place to set clear performance objectives, provide regular feedback, and recognise and reward high



performance. This system helps to align individual goals with organisational objectives and drive a culture of accountability.

- 7.5 The Company places a strong emphasis on employee engagement, believing that engaged employees are more productive and innovative. The Company regularly solicit feedback from employees through surveys and focus groups, and act to address issues or concerns raised.
- 7.6 The health and safety of the employees are paramount. The Company has comprehensive health and safety policies and procedures in place to ensure a safe working environment for all employees.
- 7.7 The Company is committed to fostering a diverse and inclusive workplace where all employees feel valued and respected. The Company actively promote diversity and inclusion through the recruitment practices, training programmes, and Company policies.
- 7.8 The Company invest in developing it's leaders to ensure that they have the skills and capabilities to lead effectively in a rapidly changing business environment. The leadership development programmes focus on building leadership competencies, strategic thinking, and driving innovation.

8. Marketing

- 8.1 Marketing is a dynamic and strategic function that is central to our business growth and customer engagement. Our marketing process is designed to identify customer needs, create value through innovative products and services, and build strong, long-lasting relationships with our customers.
- 8.2 The Company has developed a comprehensive marketing mix, including product, price, place, and promotion strategies, to effectively reach and engage it's target customers. Our marketing mix is constantly reviewed and adjusted based on market feedback and performance data. The Company use a mix of traditional and digital marketing channels to communicate it's value proposition to customers. Our integrated marketing communications strategy ensures consistency and effectiveness across all channels.
- 8.3 The Company has also diversified itself to include the manufacturing of tools and dies for automotive applications and supplying them to OEMs and Tier 1 suppliers. The Company also gets benefits from import substitution through localization and in-house tools and dies.
- 8.4 The Company is focusing on business development in alternate fuels by synchronising with the plans of the OEMs. As of now, 15% of the new business acquisition is from CNG, hybrid, and electric technology products.

9. Corporate social responsibility

- 9.1 The Company endeavours to work for society and contribute to the welfare of the people and children around

factory sites. Actions for gender equality, inclusivity, and employment opportunities for people with special needs remain a key priority.

- 9.2 To empower more women to develop entrepreneurship skills and become financially independent, the Company runs a skill development centre in a village in Manesar. The Company has provided infrastructure and imparted training to several village women in the vicinity.
- 9.3 The Company has also adopted schools around the vicinity of plants to provide improved educational opportunities. The local communities in these areas truly welcomed this initiative. Our focus at this stage is to improve the infrastructure of schools and the quality of education.
- 9.4 The Company has partnered with local NGOs under the umbrella programme of CSR for community development and upskilling of human resources by supporting the education and socio-psychological well-being of children of incarcerated parents.

10. Roadmaps for the Future

- 10.1 As we look ahead, the Company is poised for an exciting future, driven by our commitment to innovation, sustainability, and excellence. Our roadmap for the future outlines key strategic initiatives that will propel us towards our vision of being a global leader in automotive thermal solutions.
- 10.2 The Company will continue to invest in research and development to drive innovation and develop cutting-edge products and solutions. Our focus will be on enhancing energy efficiency, reducing emissions, and improving overall performance to meet the evolving needs of the automotive industry.
- 10.3 The Company will undergo a digital transformation for our operations, processes, and customer interactions. This will include implementing advanced digital technologies such as IoT, AI, and data analytics to optimise our operations, enhance the customer experience, and drive efficiency.
- 10.4 The Company is committed to sustainability and reducing it's environmental impact. The Company will focus on developing eco-friendly products, reducing waste and emissions, and promoting sustainable practices across the value chain.
- 10.5 The Company will explore opportunities for market expansion and diversification to reduce dependence on any single market or product segment. The Company will continue to prioritise customer satisfaction and engagement. This will include enhancing the customer service offerings, building strong relationships with customers, and leveraging customer feedback to improve our products and services.



- 10.6 The Company recognises that its success depends on the skills and dedication of its employees. The Company will invest in talent development programmes, promote a culture of learning and innovation, and ensure that its employees are engaged and motivated.
- 10.7 It will focus on achieving operational excellence across the organization. This includes streamlining processes, optimising our supply chain, and implementing best practices to improve efficiency and reduce costs.
- 10.8 The Company is embarking on an exciting journey towards a sustainable and successful future. Our roadmap outlines our strategic priorities and initiatives that will guide us as the Company strives to achieve our vision and create long-term value for our stakeholders.

11 Mid-term and Long-term Plans

- 11.1 The Company has developed a comprehensive mid-term and long-term plan that aligns with its vision to be a leader in automotive thermal solutions. This plan outlines the strategic priorities and initiatives that will guide us over the next five years.
- 11.2 The Company will undergo a digital transformation to further digitise its operations and processes. This will include implementing advanced digital technologies
- such as IoT, AI, and data analytics to improve efficiency, enhance the customer experience, and drive innovation.
- 11.3 The Company will strive for operational excellence across all domains of business. This includes optimising our manufacturing processes, improving supply chain management, and enhancing overall efficiency to reduce costs and improve profitability in the long term.

Cautionary Statement

Statements in this Management Discussion and Analysis describe the Company's objectives, projections, and estimates and expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important factors that could affect the Company's operations include a downturn in the automobile sector, significant changes in the political and economic environment, exchange rate fluctuations, tax laws, litigation, labour relations, interest costs, changes in government regulations, and other incidental factors.

Source:

1. SIAM cumulative production, domestic sales & exports

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 39th Annual Report of the Company together with the audited financial statements for the year ended March 31, 2024.

FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	Financial Year 2023-24	Financial Year 2022-23	Financial Year 2023-24	Previous Year 2022-23
	(Rs. in Crores)			
Revenue from operations (Net of excise duty)	3070.57	2806.28	3070.57	2806.28
Other income	14.67	20.57	14.55	20.29
Profit before depreciation, interest and tax	268.88	188.08	268.75	187.79
Less: Finance cost	11.67	6.78	11.67	6.78
Less: Depreciation	116.51	110.28	116.51	110.28
Add: Share of profits/loss of joint venture (equity method)	-	-	0.08	0.12
Net profit before Taxation	140.70	71.02	140.66	70.85
Less: Tax	43.04	22.93	43.04	22.93
Profit after Taxation	97.66	48.09	97.62	47.92
Profit brought forward	518.65	478.68	518.79	476.78
Profit available for appropriation	605.87	518.65	605.96	518.79

BUSINESS OPERATIONS

The net revenue from operations for the financial year ended March 31, 2024 is Rs. 3070.57 Crores as against Rs. 2806.28 Crores in the previous financial year. The Net Profit before Tax is Rs. 140.70 Crores as compared to Rs. 71.02 Crores in the previous financial year.

The Indian automobile industry is setting out on a journey with hopes for a sustained growth momentum. Despite the challenging operating environment characterized by the ongoing geo-political issues and supply chain disruptions, the Company continued to demonstrate resilience and agility. It has successfully launched several new products tailored to meet the evolving needs of the customers, strengthening its position in the automotive sector.

During the year, the Company continued to focus on enhancing operational efficiency and productivity across all its manufacturing facilities. The Company relentless pursuit of excellence has enabled it to improve product quality, reduce lead times, and optimize costs, thereby enhancing the competitiveness in the market.

There has been no change in the nature of business of the Company.

EXTERNAL ENVIRONMENT AND ECONOMIC OUTLOOK

The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. India is also a prominent auto exporter and has strong export growth expectations for the near future.

In addition, several initiatives by the Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme in the Indian market are expected to make India one of the global leaders in the coming years.

India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. India's annual production of automobiles in FY2023-24 was 23.8 million vehicles. India has a strong market in terms of domestic demand and exports.

The passenger vehicles (cars) in India reached an all-time high in the financial year 2023-24, totaling more than 4.2 million units. This surge was particularly notable in the sales of Sports Utility Vehicles (SUVs), which accounted for a significant portion of the overall sales.

SUVs remain the prime driver behind the healthy volumes in India. In 2024, SUV sales witnessed a remarkable 24% growth, reaching 2 million units and accounting for almost half of the country's passenger vehicle (PV) volume. This surge was driven by automakers' efforts to meet consumer preferences through the introduction of new SUV offerings that cater to various market segments. All major OEM's have followed the same strategy by following the customer preference resulted into this surge.

The Ministry of Road Transport and Heavy Industry has issued a notification for all new trucks to be manufactured on or after October 1, 2025, must be equipped with AC cabins for drivers. Truck drivers play a key role in the transport sector for India and there is a need to address issues regarding their working



conditions and safety. This notification will boost Company's efforts to expand its base of customers and at the same time increase its share of business in this segment.

Indian Railway being a Lifeline of nation has been continually making innovations in its Technology, Service, Operations and Overall System to lead the nation on path to a modern and ever progressing future. Government push on Rail infrastructure has made it a priority segment for the Company and it has already received the product and facility approval from RDSO. The Company has secured orders for both coach and Cab AC that will be adding significant orders over a period of time both in terms of value and product range.

The future outlook for passenger vehicle and commercial vehicle remains positive, though growth is likely to moderate in FY 2024-25. The BEV/Hybrid/CNG (alternate fuel) vehicle penetration is expected to increase in coming years due to government push through various regulations & schemes and also increase in customer acceptability for clean or alternate fuel vehicles. Business development in EV and Hybrid space is key focus points with products segments including Passenger Vehicle, Bus, Truck and Tractor. It also presents unique export opportunities for the Company to have global presence.

EXPANSION AND FUTURE PROSPECTS

The Company is poised for a strategic expansion that will propel it into new markets and solidify its position as a leader in the automotive sector. The Company's expansion plan is driven by a comprehensive market analysis that identifies opportunities for growth. The Company aim to capitalize on these opportunities by leveraging its core strengths in innovation, quality, and customer service.

The Company is gearing up for meeting future customer demands in-line with customer plans and market outlook. New product development for IC engine & EV for Passenger vehicles, Bus, Truck and Off-road are in progress for various OEM Models and are in-line with their project milestones. New Projects for Rail Cab AC & Coach AC are also under development & currently in execution.

The Company's largest customer Maruti Suzuki has announced huge expansion which is part of their vision to achieve a production volume of 4 million vehicles by 2030, doubling its output over next six years. Regarding this, expansion plans in Haryana and Gujarat. The Company is also aligning with all these new opportunities and planning to expand its capacities at all locations. The Company is focused on localization and cost optimization activities across all product segments to marginalize impact of global economic factors. This capacity expansion & product optimization with focus on Make in India will ensure sufficient capacity is available for all our customers in line with growing market demand across all the segments.

DIVIDEND

Your Company has earned a net profit (after tax) of Rs. 97.66 Crores as against Rs. 48.09 Crores in the previous year. The Board has recommended a dividend of Rs. 1.80 per share (90% on the face value of equity shares of Rs. 2 each) for the financial year ended March 31, 2024, as against Rs. 1.00 per

share (50% on the face value of equity shares of Rs. 2 each) in the previous year.

The dividend, if approved by the Members at the ensuing Annual General Meeting (AGM), shall absorb a sum of Rs. 11.74 Crores.

The Dividend Distribution Policy of the Company is available on the Company's website at www.subros.com/investors.html.

TRANSFER TO RESERVES

Your Company proposes to transfer Rs. 1.50 Crores to the General Reserve.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There were no material changes and commitments that affect the financial position of the Company subsequent to the date of financial statement.

CAPITAL STRUCTURE

During the year there is no change in the Capital Structure of your Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review the following changes took place in the Board and Key Managerial Personnel of your Company:

- i. Mr. Arvind Kapur was re-appointed as Independent Director of the Company for a second consecutive term commencing from 6th February, 2024.
- ii. Mr. Girish Narain Mehra, Mr. K.R. Ramamoorthy, Mr. M.A. Pathan, Mr. Shailendra Swarup and Mrs. Meena Sethi, Independent Directors have completed their second term of five consecutive years on 31st March, 2024.
- iii. Justice Arjan Kumar Sikri (Retd), Ambassador Deepa Gopalan Wadhwa, IFS (Retd), Mr. Ashok Lavasa, IAS (Retd), Mrs. Vanaja Narayanan Sarna, IRS (Retd) and Ms. Smita Piyush Mankad were appointed as Independent Directors with effect from 1st April, 2024.
- iv. Mr. Kamal Samtani was appointed as Company Secretary & Compliance Officer (KMP) of the Company with effect from 28th April, 2023.

The Board places on record the great appreciation for outgoing Independent Directors for their guidance as independent director(s) and thanked them for their dedication to the Company.

In the opinion of the Board, Independent Directors appointed/re-appointed during the year possess requisite qualification, positive attributes, independence, relevant skills, knowledge, experience including the proficiency & competency, fulfillment of functions, ability to function as team, initiative, commitment, substantial contribution & integrity.

Pursuant to the provisions of Section 152 other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company, Dr. Jyotsna Suri (DIN: 00004603) Director of the Company retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment.



Her brief resume as required under the Listing Regulations and Secretarial Standards is provided in the Notice of the 39th AGM of the Company. The requisite resolution pertaining to the re-appointment appears at the respective item of the Notice along with the Statement and is recommended to the Members for approval.

Declaration from Independent Directors:

The Company has received declaration(s) from all the Independent Director(s) of the Company as laid down under Section 149(7) of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors), 2014 along with Regulation 16 and Regulation 26 of the listing Regulations, confirming that they meet the criteria as laid down under Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

Board Meeting:

The Board of Directors met six times during the financial year 2023-24, the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD

The Board has Committees i.e Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Composition, terms of reference and number of meetings of the Board Committees is described in Corporate Governance Report as stipulated under Listing Regulations, which forms integral part of this Report.

Policy on Directors' Appointment and Remuneration: The policy of the Company on Directors' and Senior Management appointment and remuneration including criteria for determining qualification, positive attributes and other matters is available on the website www.subros.com/investors.html of the Company.

ANNUAL RETURN

The Annual Return as on March 31, 2024, in terms of provisions of Section 134(3) and other applicable provisions of the Companies Act, 2013, read with Rules thereto is available on website of the Company www.subros.com/investors.html and forms integral part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (5) of the Companies Act, 2013, your Directors hereby confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES AND JOINT VENTURES

DENSO Subros Thermal Engineering Centre India Private Limited, a Joint Venture, achieved revenue of Rs. 17.48 Crores during the FY 2023-24 as against Rs. 17.62 Crores in the previous year. The Joint Venture achieved a profit of Rs. 0.31 Crores during the year as against Rs. 0.45 Crores decreased by 31% due to increase in staff cost, on account of early retirement, impact of actuarial valuation and expat bonus provision. Your Company is holding 26% shares in this Joint Venture.

The Company does not have any subsidiary.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 and IND AS 110 - Consolidated Financial Statements read with IND AS 31 - Interest in Joint Ventures, your Directors have pleasure in attaching the Audited Consolidated Financial Statements, which forms a part of this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information in terms of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Company (Accounts) Rules, 2014 relevant rules is annexed herewith as Annexure-1 and forms integral part of this report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors: As per the provisions of Section 139 of the Companies Act, 2013, the shareholders have approved the re-appointment of M/s Price Waterhouse Chartered Accountants LLP, as Statutory Auditors of the Company for the second term of five consecutive years from the conclusion of the 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting.

The Auditors' Report to the Members for the year under review does not contain any qualification, reservation or adverse remark. The observations of the Auditors and the relevant notes on accounts are self-explanatory and therefore do not call for any further comments.

Cost Auditors: The Company has re-appointed M/s. Chandra Wadhwa & Company, Cost Accountants, as Cost Auditors of



the Company to conduct the audit of cost records maintained by the Company for the FY 2024-25 in accordance with Section 148(1) of the Companies Act 2013. The ratification of remuneration payable to Cost Auditors for the FY 2024-25 is being sought from the Members of the Company at the ensuing AGM.

Secretarial Auditors: The Company has re-appointed M/s. RSM & Co., Company Secretaries as Secretarial Auditors to conduct the audit of secretarial and related records of the Company for the FY 2024-25. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed as **Annexure-2** and the same is self-explanatory. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Statutory Auditors, Cost Auditors or Secretarial Auditors have not reported any frauds during the Financial Year 2023-24 under Section 143(12) of the Companies Act, 2013 and rules made thereunder.

DEPOSITS

During the year under review, your Company has neither invited nor accepted any deposits from the Public.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No significant material order was passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

The adequacy of Internal Financial Controls is discussed in Management Discussion and Analysis, as stipulated under the Listing Regulations with the Stock Exchanges, which forms part of this Report.

LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any inter- corporate loans and/or provided any guarantees. Details related to the investments made by the Company are given in Note 5(a)&(b)(ii) to the Standalone Financial Statements of the Company.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one time settlement with any Bank or Financial Institution(s).

CORPORATE SOCIAL RESPONSIBILITY

The Company has formulated a Corporate Social Responsibility (CSR) Policy to undertake CSR initiatives as specified in Schedule VII of the Companies Act, 2013. The Company has constituted a robust and transparent governance structure to oversee the implementation of CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013. The Annual Report on CSR activities is annexed as **Annexure-3** and forms integral part of this report. This Policy is placed on the website of the Company www.subros.com/investors.html.

RISK MANAGEMENT

The Company has a risk management policy and framework in place for identification and mitigations of risks. The Company's Enterprise Risk Management (ERM) framework aligns with ISO 31000:2018 Risk Standards to ensure proper identification & treatment of risk(s). The implementation of ERM Framework is continuously evolving and the Company has adapted the changing requirements & emerging risk(s). Every year Company carries the Benchmarking exercise for drawing insights from industry peers and forum which enable it to stay ahead of curve. The risk management process and structure ensure the identification & mitigation of Strategic, Operational, Financial & Regulatory risk(s).

The Company ensures the participation of teams across the organization to create culture of risk awareness and ownership. The Risk Registers and mitigation action implementation is reviewed at fixed frequency by the management and commitment to resource allocation ensure that risk management remains a priority.

VIGIL MECHANISM

Pursuant to Section 177(9) of the Companies Act, 2013, the Company has established a Vigil Mechanism/ Whistle Blower Policy for directors, employees, suppliers, contractors and other stakeholders of the Company. The purpose and objective of this Policy is to cover serious concerns, unethical behavior, actual or suspected fraud that would have a larger impact on image and values of the Company due to incorrect financial reporting or improper conduct. The Whistle Blower Policy has been placed on the website of the Company www.subros.com/investors.html.

SEXUAL HARASSMENT

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee has been set up to redress complaints received regarding sexual harassment. During the year the Company did not receive any complaint.

RELATED PARTY TRANSACTIONS

The Board of Directors has formulated a Related Party Transaction Policy for determining material related party transactions. The Related Party Transaction Policy is available on the website of the Company www.subros.com/investors.html. A statement of all particulars of Contracts or Arrangements with material related parties referred to in Section 188(1) of the Companies Act, 2013, is annexed as **Annexure-4** and forms integral part of this report.

LISTING

The Equity Shares of your Company continue to be listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The listing fees for the financial year 2024-25 have been paid to the said stock exchanges.

ANNUAL EVALUATION

In compliance with the provisions of the Companies Act, 2013, Listing Regulations and Guidance Note issued by SEBI



the Board has formulated a framework, inter alia, for formal evaluation of its performance and effective functioning of its committees and the Board of Directors.

In this regard the Board has, inter alia, carried out an annual evaluation of the performance of all the independent director(s). The Nomination & Remuneration Committee ("NRC"), inter alia, reviewed the performance of every directors and the Board as a whole and its committee(s). The Independent Directors, inter alia, reviewed performance of non-independent directors, the Board as a whole and its committees and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

The evaluation criteria of the performance of every director, Board & its committees included, inter alia, their structure/ composition, meeting availability and attendance, Commitment, Contribution, integrity, ability to function as a team, expertise drawn from diverse domains banking, administration, strategic and technical and bring specific knowledge & competencies relevant to the Company's business. The Board members participation and overall functioning was quite satisfactory and effective during the year under review. There are no specific observations on the Board evaluation carried out during the year as well as for the previous year.

CREDIT RATING

ICRA has upgraded the Long Term Ratings as [ICRA] AA "Stable" and revised Outlook from Positive to stable and re-affirmed the Short Terms Ratings as [ICRA] A1 + "Positive".

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure in respect to remuneration and other details as per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure-5** to this Report having regard to the provisions of the second proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the said statement of employees under Section 197(12) of Companies Act, 2013 is being sent to the Members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any Member interested in obtaining said statement may write to the Company Secretary at the registered office of the Company.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

The Company is committed to maintain the highest standards of corporate governance. The Company has complied with the corporate governance requirements, as stipulated under the Listing Regulations. A report on Corporate Governance along with a Certificate from the Practicing Company Secretaries regarding compliance on the conditions of corporate governance prescribed under Listing Regulations is annexed herewith and forms integral part of this Report. All Policies of the Company are available on the website of the Company www.subros.com/investors.html.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis, as required in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A report on adoption of responsible business practices in the interest of the social, governance and environmental perspective are as vital as their financial and operational performance. conforming to the requirements of the clause (f) of sub-regulation (2) of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report for Financial Year 2023-24 is annexed herewith and forms integral part of this Report.

INVESTOR EDUCATION AND PROTECTION FUND

The disclosure of IEPF related activities during the year under review forms a part of the report on Corporate Governance.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the mandatorily applicable Secretarial Standards issued by the Institute of Company Secretaries of India on meetings of Board of Directors, its Committee(s) and General Meetings.

ACKNOWLEDGMENT

The Board extends heartfelt gratitude to the Company's valued customers, Maruti Suzuki India Limited, Tata Motors Limited, Mahindra & Mahindra Limited, Ashok Leyland Limited, Force Motors Limited, Renault Nissan Automotive India Private Limited and many more, for the trust and confidence reposed by them in the Management for their co-operation and support provided to the Company.

The Board acknowledge cooperation and support of the supplier base, vendors and Company's bankers HDFC Bank, ICICI Bank, State Bank of India, Kotak Mahindra Bank & other Banks and our collaborators, DENSO Corporation, Japan and Suzuki Motor Corporation, Japan for their continued support.

The Board conveys appreciation to all the Company's employees for their hard work, support and commitment towards the achievement of the performance and overall growth of the Company.

Last but not the least, the Board wishes to thank all the shareholders, business associates and other stakeholders for their long association during the growth journey of the Company.

For and on behalf of the Board of Directors

SHRADHA SURI
Chairperson & Managing Director
(DIN: 00176902)

Place: New Delhi
Dated: May 23, 2024



ANNEXURE-1 TO THE DIRECTORS' REPORT

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 forming part of Directors' Report.

A) CONSERVATION OF ENERGY		
(i)	The steps taken or impact on conservation of energy	The Company is working consistently towards energy conservation in all key areas related to manufacturing and administrative operations. Various measures are taken to optimize power costs associated with the manufacturing of products. The following are some of the measures initiated/ adopted for conservation and optimized utilization of energy during the year under review: <ul style="list-style-type: none"> • Zero Liquid discharge plant installation • Rain water harvesting • Use of Day light sheet for Natural lighting
(ii)	The steps taken by the Company for utilizing alternate sources of energy	<ul style="list-style-type: none"> • Installation of solar power (roof top) in: <ul style="list-style-type: none"> - Chennai, Pune, Karsanpura Plants.
(iii)	The capital investment on energy conservation equipment	<ul style="list-style-type: none"> • Investment is done for projects where ROI < 1yrs.
B) TECHNOLOGY ABSORPTION		
(i)	The efforts made towards technology absorption	<ul style="list-style-type: none"> • Compact & cost effective AC kit development for truck and pickup vehicles cabins • Hydrogen Fuel Cell Bus Integrated Thermal Management systems development • Cost reduction by alternate sourcing and localization in the field of Blower motor's, Automotive HVAC, Compressor, Heat Exchangers, Pipes & Hoses. • Development of new products based on system level application engineering for ECM, HVAC systems of Car, Bus, Truck & Railways and EVs. • In-house Software development capability for the development of controllers of thermal management systems. • New technology products
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> • Received grant of new patents. • New business for electric vehicles thermal management. • Implementation of VAVE ideas and new technology based products for lighter weight and cost optimization. • Import substitution of the components.
(iii)	In case of imported:	The Company has been importing technology in collaboration with DENSO Corporation, Japan and Suzuki Motor Corporation, Japan since 1986. Further, the Company under Technical Assistance Agreement(s) with DENSO Corporation, Japan for transfer of technology for HVACs, Compressors, Radiators and other thermal products manufactured by the Company.
(a)	Technology (Imported during the last three years reckoned from the beginning of the financial year) the details of technology imported	
(b)	The year of import	

(c)	Whether the technology has been fully absorbed	The technology has been absorbed within the period of applicable Technical Assistance Agreement(s). For new models of AC system, Radiators, Fans, Motors and Compressor models, the same is being implemented as a part of ongoing process.																					
(d)	If not fully absorbed, areas where absorption has not taken place, and the reason thereof	Not applicable																					
(iv)	The expenditure incurred on Research and Development	<p>During the year, various major activities in the field of research and development were carried out by the Company in the areas of New Product Development, Application Engineering, Benchmarking, Participation in National & international Technical events, Technology Exhibitions, SAE Events, IP creation and patent filing, New Technology Development, Electric vehicle thermal management solutions, in house testing facility up gradation, Software lab establishment, startups engagements.</p> <table border="1"> <thead> <tr> <th></th> <th colspan="2" style="text-align: right;">(Rs. in Lakhs)</th> </tr> <tr> <th></th> <th style="text-align: center;">2023-24</th> <th style="text-align: center;">2022-23</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td style="text-align: right;">17.21</td> <td style="text-align: right;">23.77</td> </tr> <tr> <td>Recurring</td> <td style="text-align: right;">2906.32</td> <td style="text-align: right;">2573.98</td> </tr> <tr> <td>Total expenditure</td> <td style="text-align: right;">2923.53</td> <td style="text-align: right;">2597.75</td> </tr> <tr> <td>Total R&D expenditure as a percentage of net turnover</td> <td style="text-align: right;">0.95%</td> <td style="text-align: right;">0.93%</td> </tr> </tbody> </table>		(Rs. in Lakhs)			2023-24	2022-23	Capital	17.21	23.77	Recurring	2906.32	2573.98	Total expenditure	2923.53	2597.75	Total R&D expenditure as a percentage of net turnover	0.95%	0.93%			
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ANNEXURE-2 TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members
SUBROS LIMITED
LGF, World Trade Centre,
Barakhamba Lane,
New Delhi- 110 001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SUBROS LIMITED** (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance - Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:-

1. The Companies Act, 2013 ("the Act") and rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendment thereon;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment thereon;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the audit period);
 - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the review period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period) and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereon.
6. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws as applicable specifically to the Company:
 - i) The Factories Act 1948, and Rules made thereunder;
 - ii) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder;
 - iii) The Environment Protection Act, 1986 and Rules made thereunder;
 - iv) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder;
 - v) The Contract Labour (Regulation & Abolition) Act, 1970 and Rules made thereunder;
 - vi) The Petroleum Act, 1934 and Rules made thereunder;
 - vii) The Explosives Act, 1884 and Rules made thereunder;



- viii) The Legal Metrology Act, 2009 and Rules made thereunder;
We have also examined compliance with the applicable clause of the following:
- i) Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
 - ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.
7. We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
8. We further report that:-
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
Adequate notice is given to all Directors to schedule the Board Meetings, agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and
The majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.
There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.
9. We further report that during the audit of the Company no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.
This report is to be read with our letter of even date which is annexed as "Annexure-1" and form an integral part of this report.

For RSM & CO.
Company Secretaries

CS RAVI SHARMA
Partner

FCS: 4468 | COP No.: 3666
UDIN:F004468F000427979
Peer Review No. 978/2020

Date : May 23, 2024
Place : Delhi

Annexure-1

To,
The Members
SUBROS LIMITED

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, rule and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RSM & CO.
Company Secretaries

CS RAVI SHARMA
Partner

FCS: 4468 | COP No.: 3666
UDIN: F004468F000427979
Peer Review No. 978/2020

Date: May 23, 2024
Place: Delhi



ANNEXURE - 3 TO THE DIRECTORS' REPORT

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

1. Brief outline on CSR Policy of the Company

Subros endeavors to integrate social and environment concerns in its business operations. The Company demonstrates an increased commitment at all levels in the organization to operate business in an economically, socially and environmentally sustainable manner. The objective of CSR policy is to actively contribute to the social, environmental & economic development of the society.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Meena Sethi	Chairperson /Independent, Non-executive	2	1
2	Mr. Arvind Kapur	Member / Independent, Non-executive	2	2
3	Ms. Shradha Suri	Member / Non-Independent, Executive	2	2

3. Provide the web-link(s) where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company: www.subros.com/investors.html

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

5. a) Average net profit of the Company as per sub-section(5) of section 135: **Rs. 5979.68 Lakhs**

b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 119.59 Lakhs**

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

d) Amount required to be set-off for the financial year, if any: **NIL**

e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 119.59 Lakhs**

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : **Rs. 114.30 Lakhs**

b) Amount spent in Administrative Overheads: **Rs. 5.70 Lakhs**

c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

d) Total Amount spent for Financial Year [(a)+(b)+(c)]: **Rs. 120.00 Lakhs**

e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
120.00	NIL				

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	119.59
(ii)	Total amount spent for the Financial Year	120.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.41
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	0.83
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	1.24

7. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135: **Not Applicable**

Parmod Kumar Duggal
(Whole-time Director & CEO)

Meena Sethi
(Chairperson, CSR Committee)

Place: New Delhi
Date: March 31, 2024



ANNEXURE – 4 TO THE DIRECTORS' REPORT

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

Details of material contracts or arrangements or transactions not at arm's length basis: Not Applicable

Details of material contracts or arrangements or transactions at arm's length basis:

S. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ transactions/ arrangements	Duration of contracts/ transactions/ arrangements	Salient terms of contracts/ transactions/ arrangements including, value, if any (Rs. in Crores)	Date of approval by the Board/ Audit Committee	Amount paid as advance, if any
1.	Global Autotech Limited	Entities over which Director and/ or relative has control or joint control (As per Listing Regulations)	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, assets, services or resources (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of each other's resources and (iii) transfer of any resources, services or obligations to meet their business requirements.	Ongoing transactions (for details please refer Annexure-1 to the Notice)	275.79	24.01.2023	Nil
2.	Denso Haryana Private Limited	Common Directorship	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, assets, services or resources (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of each other's resources and (iii) transfer of any resources, services or obligations to meet their business requirements.	Ongoing transactions (for details please refer Annexure-1 to the Notice)	104.33	24.01.2023	Nil
3.	Maruti Suzuki India Limited	In terms of Regulation 2(1)(zb)(b)(ii) of Listing Regulations and Common Director	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, assets, tooling, services or resources, (ii) reimbursement of expenses including towards availing/ providing for sharing/ usage of resources and (iii) transfer of any resources, services or obligations to meet business requirements	Ongoing transactions (for details please refer Annexure-1 to the Notice)	1526.66	24.01.2023	Nil



S. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ transactions/ arrangements	Duration of contracts/ transactions arrangements	Salient terms of contracts/ transactions/ arrangements including, value, if any (Rs. in Crores)	Date of approval by the Board/ Audit Committee	Amount paid as advance, if any
4.	Suzuki Motor Gujarat Private Limited	In terms of Regulation 2(1)(zb)(b)(ii) of Listing Regulations.	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, assets, tooling, services or resources, (ii) reimbursement of expenses including towards availing/ providing for sharing/ usage of resources and (iii) transfer of any resources, services or obligations to meet business requirements	Ongoing transactions (for details please refer Annexure-1 to the Notice)	1085.45	24.01.2023	Nil

ANNEXURE – 5 TO THE DIRECTORS' REPORT

INFORMATION PERTAINING TO REMUNERATION UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of Director & Designation	Ratio to median remuneration
Ms. Shradha Suri– Chairperson & Managing Director*	95.95%
Mr. Parmod Kumar Duggal, Whole-time Director & CEO	55.79%

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any, in the financial year:

Name & Designation	Percentage increase in remuneration
Ms. Shradha Suri, Chairperson & Managing Director	Nil
Mr. Parmod Kumar Duggal, Whole-time Director & CEO	8.10%
Mr. Hemant K. Agarwal, CFO & VP (Finance)	8.30%
Mr. Kamal Samtani, Company Secretary	Nil

Notes: (i) The remuneration paid to Independent Directors/ Non-Executive Directors which includes sitting Fees is proportionate to their attendance in Board and Committee meetings.

(ii) Commission/Performance linked Incentive paid to the Executive Directors/KMPs have not been considered in calculation for the percentage increase.

(iii) The percentage increase/(decrease) in the median remuneration of employees in the financial year: **3.56%**

(iv) The number of permanent employees on the rolls of Company: **3688 as on 31-03-2024.**

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	31.03.2024
% increase in median salary of employees	3.56%
% increase in average salary of managerial personnel	7.91%

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company: **Affirmed that the remuneration is as per remuneration policy of the Company.**



Report on Corporate Governance for the year ended March 31, 2024

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to achieve and maintain the highest standards of Corporate Governance. Subros philosophy on Corporate Governance envisages attainment of the highest levels of transparency in accounting policies, strong and independent Board, accountability and equity in all facets of its operations. It is with this conviction that Subros has formulated procedures, policies and systems that are promoting immaculate Corporate Governance Standards within the Company.

The Securities & Exchange Board of India (SEBI) has notified corporate governance provisions in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has been complying with these provisions effectively. Your Company acknowledges and believes that all its actions must serve the main goal of enhancing overall stakeholders' value on a sustained basis.

BOARD OF DIRECTORS

The Board currently comprises of twelve Directors, out of which ten are Non-Executive Directors (including six Independent Directors). The Independent Directors have submitted declarations that they meet the criteria of "independence" as laid under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as on March 31, 2024. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations.

Composition of Board of Directors and Directors attendance

The composition and category of the Board of Directors, attendance, directorship and committee position during the financial year 2023-24 are given below:

Name of the Director(s)	Category	No. of Board Meetings attended	Whether attended last AGM	No. of Directorships in other Companies (1)	Committees positions held in other Public Companies (2)	
					Chairperson	Member
Ms. Shradha Suri Chairperson & Managing Director	Non Independent, Executive, Promoter	6 of 6	Yes	6	-	3
Dr. Jyotsna Suri	Non Independent, Non-executive,	4 of 6	Yes	7	-	1
Mr. Hisashi Takeuchi	Non Independent, Non-executive, Nominee Director (3)	5 of 6	Yes	3	-	1
Mr. Naohisa Kuriyama	Non Independent, Non-executive, Nominee Director (4)	0 of 6	NA	-	-	-
Dr. Yasuhiro Iida	Alternate Director to Mr. Naohisa Kuriyama	5 of 6	Yes	-	-	-
Mr. Tomoaki Yoshimori	Non Independent, Non-executive, Nominee Director (4)	3 of 6	Yes	-	-	-
Mr. G.N. Mehra	Independent, Non-executive (5)	6 of 6	Yes	3	5	6
Mr. K.R. Ramamoorthy	Independent, Non-executive (5)	6 of 6	Yes	3	3	5
Mr. M.A. Pathan	Independent, Non-executive (5)	6 of 6	Yes	-	-	1
Mr. Shailendra Swarup	Independent, Non-executive (5)	5 of 6	Yes	5	2	7
Mrs. Meena Sethi	Independent, Non-executive (5)	3 of 6	Yes	-	-	1
Mr. Arvind Kapur	Independent, Non-executive	6 of 6	Yes	5	-	3
Mr. Parmod Kumar Duggal	Whole-time Director & CEO, Executive	6 of 6	Yes	-	-	-

Notes:

- During the year under review, none of the Independent Directors has resigned from the Board of the Company.
- (1) Other than Foreign & Private Companies.
 - (2) In accordance with Regulation 26 of the Listing Regulations, Membership/Chairpersonship of only Audit Committee and Stakeholders Relationship Committee in all public companies have been considered.
 - (3) Represents Suzuki Motor Corporation, Japan.
 - (4) Represents Denso Corporation, Japan.
 - (5) Mr. G.N. Mehra, Mr. K.R. Ramamoorthy, Mr. M.A. Pathan, Mr. Shailendra Swarup and Mrs. Meena Sethi ceased to hold office of Director w.e.f. March 31, 2024 upon completion of their second term as Independent Director(s).

The Board of Directors at their meeting held on 30th January 2024, have approved the re-appointment / appointment of Independent Directors(s) as per below details:

- Mr. Arvind Kapur was re-appointed as an Independent Director of the Company to hold office for a period of 5 years from 6th February, 2024.
- Justice Arjan Kumar Sikri (Retd), Ambassador Deepa Gopalan Wadhwa, IFS (Retd), Mr. Ashok Lavasa, IAS (Retd), Mrs. Vanaja Narayanan Sarna, IRS (Retd), Ms. Smita Piyush Mankad, were appointed as Independent Directors of the Company to hold office for a period of 5 years from 1st April, 2024.

Name of the listed entities where the person is a director as on March 31, 2024 and the category of directorship

Name of the Director(s)	Directorships in other listed entity	Category of Directorship
Ms. Shradha Suri	Asahi India Glass Limited	Non- Executive, Independent
	Sona BLW Precision Forgings Limited	Non- Executive, Independent
	Uniparts India Limited	Non- Executive, Independent
Dr. Jyotsna Suri	-	-
Mr. Hisashi Takeuchi	Maruti Suzuki India Limited	Executive
Mr. Naohisa Kuriyama	-	-
Dr. Yasuhiro Iida	-	-
Mr. Tomoaki Yoshimori	-	-
Mr. G.N. Mehra	Bharat Seats Limited	Non- Executive, Independent
Mr. K.R. Ramamoorthy	Nilkamal Limited	Non- Executive, Independent
	Ujjivan Financial Services Limited	Non- Executive, Independent
Mr. M.A. Pathan	-	-
Mr. Shailendra Swarup	Gujarat Flurochemicals Limited	Non- Executive, Independent
	Bengal & Assam Company Limited	Non- Executive, Independent
	Sterling Tools Limited	Non- Executive, Independent
	Jagran Prakashan Limited	Non- Executive, Independent
Mrs. Meena Sethi	-	-
Mr. Arvind Kapur	Rico Auto Industries Limited	Executive
	Sandhar Technologies Limited	Non- Executive, Independent
Mr. Parmod Kumar Duggal	-	-

Number of Board Meetings

During the year under review, six Board meetings were held on April 28, 2023, May 25, 2023, August 8, 2023, November 9, 2023, January 30, 2024 and March 29, 2024. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

Disclosure of relationships between directors inter-se

Except Dr. Jyotsna Suri and Ms. Shradha Suri being related to each other, no other directors are inter-se related.



Number of shares and convertible instruments held by non-executive directors

All the Non-Executive Directors do not hold any equity share in the share capital of the Company except Mr. Arvind Kapur who holds 20986 equity shares. The Company has not issued any convertible instruments to them.

The familiarization programme(s) imparted to independent Directors from time to time is available at www.subros.com/investors.html.

The Board has identified the following core skills / expertise / competencies as required in the context of Company's business(es) and sector(s) for it to function effectively and those actually available with the Board:

Name of the Director(s)	Industry knowledge/ experience	Technical skills/ experience	Governance competencies	Behavioural competencies
	Industry experience; Knowledge of sector	Marketing; Public Relations; CEO/ Senior management experience; Strategy development and implementation	Financial literacy; Strategic thinking/ planning; Governance related risk management experience	Team player/ Collaborative; Sound judgement; Integrity and high ethical standards; Mentoring abilities
Ms. Shradha Suri	√	√	√	√
Dr. Jyotsna Suri	√	√	√	√
Mr. Hisashi Takeuchi	√	√	√	√
Mr. Naohisa Kuriyama	√	√	√	√
Mr. Tomoaki Yoshimori	√	√	√	√
Dr. Yasuhiro Iida*	√	√	√	√
Mr. G.N.Mehra	√	√	√	√
Mr. K.R. Ramamoorthy	√	√	√	√
Mr. M.A. Pathan	√	√	√	√
Mr. Shailendra Swarup	√	√	√	√
Mrs. Meena Sethi	√	√	√	√
Mr. Arvind Kapur	√	√	√	√
Mr. Parmod Kumar Duggal	√	√	√	√

*Alternate to Mr. Naohisa Kuriyama

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the Management.

COMMITTEES OF THE BOARD

The Board has constituted a set of Committees with specific terms of reference/scope to focus effectively on the issues and ensure expedient resolution of diverse matters as detailed below:

AUDIT COMMITTEE

The Audit Committee of the Board was constituted on April 30, 2001. The terms of reference are in line with the requirements of Listing Regulations. The Audit Committee has the powers pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations which include amongst others:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment and removal of auditor, fixation of audit fee and also approval for payment for any other services;
- Reviewing with management the annual financial statements and auditor report before submission to the Board;
- Reviewing with management, performance of statutory and internal auditors and adequacy of internal control systems;
- Reviewing with the management the quarterly/half-yearly/annual Financial Statements before submission to Board of Directors for approval;

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing seniority, reporting structure coverage & frequency of internal audit;
- Review the functioning of Whistle Blower Policy/Vigil Mechanism.

The Committee reviews the management discussion and analysis of the financial condition and results of operations, statements of significant related party transactions, internal controls and any other matter which may be a part of its terms of reference or referred to by the Board of Directors. The composition of the Audit Committee as on March 31, 2024 along with the details of the meeting held and attended by the members of the Committee during the financial year 2023-24 are detailed below:

Name of Director(s)	Position	Category	Date of Audit Committee Meeting(s)			
			1	2	3	4
			24.05.2023	07.08.2023	08.11.2023	29.01.2024
Mr. G.N. Mehra	Chairman	Independent, Non-Executive	√	√	√	√
Mr. K.R. Ramamoorthy	Member	Independent, Non-Executive	√	√	√	√
Mr. M.A. Pathan	Member	Independent, Non-Executive	√	√	√	√

During the year, the Audit Committee met four times. The Statutory Auditors, Internal Auditors and Senior Executives of the Company are being invited to the meetings for discussions/deliberations.

The Company Secretary acts as a Secretary to the Committee.

The Board also re-constituted the Audit Committee in their meeting held on 29.03.2024 effective from 01.04.2024 post completion of the second term of five existing Independent Directors.

Name of Director(s)	Position	Category
Mr. Arvind Kapur	Chairman	Independent, Non-Executive
Mr. Ashok Lavasa	Member	Independent, Non-Executive
Mr. Parmod Kumar Duggal	Member	Non-Independent, Executive

NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee of the Board of Directors was constituted on October 31, 2002 (renamed as "Nomination and Remuneration Committee" w.e.f. May 26, 2014). The terms of reference are in line with the requirement of Listing Regulations. The Nomination & Remuneration Committee has the powers as provided under Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations which include amongst others:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- Recommended to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management;
- Fixation of salary, perquisites etc. of all Executive Directors of the Company at the time of their appointment/re-appointment;
- Deciding commission payable to Executive Directors;
- Identify persons who qualify to become Directors and who may be appointed in senior management in accordance with criteria laid down and recommend to the Board for their appointment and removal.

The composition of the Nomination & Remuneration Committee as on March 31, 2024 along with the details of the meeting held and attended by the members of the committee during the financial year 2023-24 are detailed below:

Name of Director(s)	Position	Category	Date of Nomination & Remuneration Committee Meeting(s)		
			1	2	3
			25.04.2023	19.01.2024	27.03.2024
Mrs. Meena Sethi	Chairperson	Independent, Non Executive	√	√	-
Mr. G.N. Mehra	Member	Independent, Non-Executive	√	√	√
Mr. Shailendra Swarup	Member	Independent, Non-Executive	√	√	√

The Committee met three times during the financial year 2023-24.



The performance evaluation criteria for independent directors are determined by the Nomination & Remuneration Committee. The Nomination & Remuneration Committee has formulated the evaluation criteria for the Independent Directors (based on guidance note issued by SEBI) which is broadly based on qualification, experience, knowledge & competency, fulfillment of functions, ability to function as a team, initiate, availability and attendance, commitment, contribution and integrity.

The Board also re-constituted the Nomination and Remuneration Committee in their meeting held on 29.03.2024 effective from 01.04.2024 post completion of the second term of five existing Independent Directors.

Name of Director(s)	Position	Category
Justice Arjun Kumar Sikri (Retd.)	Chairperson	Independent, Non-Executive
Ambassador Deepa Gopalan Wadhwa, IFS (Retd.)	Member	Independent, Non-Executive
Ms. Smita Piyush Mankad	Member	Independent, Non-Executive

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board was constituted on May 26, 2014. The terms of reference of Risk Management Committee are as follows:

- To approve overall risk management framework of the Company;
- Identifying, Analyzing, Evaluating & Treating operational and strategic risks for internal/ external context & regulatory compliances;
- Building & promoting organization's risk work culture by creating Risk awareness through Training & Education of our employees and Handling of conflicting interests;
- Integrating the risk management as part of management control systems.

The composition of the Risk Management Committee as on March 31, 2024 along with the details of the meetings held and attended by the members of the Committee during the financial year 2023-24 are as follows:

Name of Director(s)	Position	Category	Date of Risk Management Committee Meeting (s)			
			1	2	3	4
			17.04.2023	06.06.2023	26.10.2023	21.03.2024
Mr. M. A. Pathan	Chairman	Independent, Non-Executive	√	√	√	√
Mr. Shailendra Swarup	Member	Independent, Non-Executive	√	√	√	√
Mrs. Meena Sethi	Member	Independent, Non-Executive	√	√	-	-

The Risk Management Committee met four times during the financial year 2023-24.

The Board also re-constituted the Risk Management Committee in their meeting held on 29.03.2024 effective from 01.04.2024 post completion of the second term of five existing Independent Directors.

Name of Director(s)	Position	Category
Ambassador Deepa Gopalan Wadhwa, IFS (Retd.)	Member	Independent, Non-Executive
Mrs. Vanaja Narayanan Sarna, IRS (Retd.)	Member	Independent, Non-Executive
Mr. Parmod Kumar Duggal	Member	Non-Independent, Executive

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility Committee (CSR Committee) as required under Section 135 of the Companies Act, 2013 on May 26, 2014. The prime responsibility of the Committee is to assist the Board in discharging its social responsibilities by way of formulating, recommending and monitoring of Annual Action Plan in pursuance of its Corporate Social Responsibility Policy from time to time. The terms of reference of the CSR Committee are as under:

- To formulate and recommend to the Board Annual Action Plan in pursuance of its Corporate Social Responsibility Policy and its review from time to time;
- To ensure effective implementation and monitoring of the CSR activities as per approved policy, plans and budget;

- To ensure compliance with the laws, rules and regulations governing CSR and to periodically report to the Board of Directors;
- To ensure compliance with Corporate Governance norms prescribed under Listing Agreement with Stock Exchanges, the Companies Act, 2013 and other statutes or any modification or re-enactment thereof.

The Composition of CSR Committee as on March 31, 2024 along with the details of the meeting held and attended by the members of the Committee during the financial year 2023-24 are as follows:

Name of Director(s)	Position	Category	Date of Corporate Social Responsibility Committee Meeting(s)		
			1	2	3
			23.05.2023	23.10.2023	19.03.2024
Mrs. Meena Sethi	Chairperson	Independent, Non-Executive	√	-	-
Mr. Arvind Kapur	Member	Independent, Non-Executive	√	√	√
Ms. Shradha Suri	Member	Non-Independent, Executive	√	√	√

The CSR Committee met three times during the financial year 2023-24. The CSR Policy of the Company can be viewed on Company's website www.subros.com/policy.html.

The Board also re-constituted the CSR Committee in their meeting held on 29.03.2024 effective from 01.04.2024 post completion of the second term of five existing Independent Directors.

Name of Director(s)	Position	Category
Mr. Arvind Kapur	Member	Independent, Non-Executive
Mrs. Vanaja Narayanan Sarna	Member	Independent, Non-Executive
Ms. Shradha Suri	Member	Non-Independent, Executive

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to Regulation 20 of Listing Regulations and Section 178 (5) of the Companies Act, 2013 the Company renamed the existing Shareholders/Investors Grievance Committee as "Stakeholders Relationship Committee". This Committee ensures speedy disposal of all grievances/complaints relating to shareholders/investors. The terms of reference of the Committee include the following:

- To specifically look into complaints received from the shareholders of the Company;
- To redress shareholders and investors complaints such as transfer of shares, non-receipt of shares, non receipt of dividend and to ensure expeditious share transfer process;
- Oversee and review all matters connected with the transfer of the Company's securities;
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

The composition of the Stakeholders Relationship Committee is as under:

Name of Members	Position	Category	No. of meetings attended during 2023-24
Mr. G.N. Mehra	Chairman	Independent, Non-Executive	25 of 25
Mrs. Meena Sethi	Member	Independent, Non-Executive	25 of 25
Ms. Shradha Suri	Member	Non-Independent, Executive	25 of 25

Mr. Kamal Samtani, Company Secretary is the Compliance Officer of the Company. For any clarification / complaint the shareholders may contact to Company Secretary at 011-23414946-49, or at the Registered Office of the Company.

The Board also re-constituted the Stakeholders Relationship Committee in their meeting held on 29.03.2024 effective from 01.04.2024 post completion of the second term of five existing Independent Directors.

Name of Director(s)	Position	Category
Mr. Ashok Lavasa	Chairman	Independent, Non-Executive
Ms. Smita Piyush Mankad	Member	Independent, Non-Executive
Ms. Shradha Suri	Member	Executive



Senior Management: The particulars and changes in Senior Management Personnel:

S. No.	Senior Management (SMP)	Designation
1	Hemant Kumar Agarwal	CFO & VP (Finance)
2	Amit Kumar Parashar	EVP & COO (Operations)
3	Sirini Dampur	EVP- Technical Centre
4	Yashpal Singh Negi	EVP & COO Supply Chain (Superannuation w.e.f 25 th January, 2024)
5	Kamal Samtani	Company Secretary (Appointed w.e.f 28.04.2023)

SEBI Complaints Redressal Systems

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>).

Investor Grievances Redressal

The number of complaints received and redressed during the year 2023-24 is as follows:

S. No.	Nature of complaint	No. of Shareholder’s complaint received during 2023-24	Number of complaint during 2023-24 resolved	Number of pending complaints
1	Non-receipt of Annual Report	2	2	0
2	Non-receipt of Dividend	11	11	0
3	Non-receipt of Split Share Certificate	22	22	0
4	Transmission	20	20	0
5	Duplicate	8	8	0

REMUNERATION OF DIRECTORS

The Non-Executive Directors of the Company are not being paid any remuneration other than the sitting fee(s) for attending the meetings. The detail of sitting fee(s) paid during the year 2023-24 is as given below:

Amount in (Rs.)

Name of Director(s)	Sitting Fees for Board Meetings	Sitting Fees for other Meetings	Total
Dr. Jyotsna Suri	3,00,000	-	3,00,000
Mr. G.N. Mehra	4,50,000	11,00,000	15,50,000
Mr. Shailendra Swarup	3,75,000	4,20,000	7,95,000
Mrs. Meena Sethi	2,25,000	7,30,000	9,55,000
Mr. M.A. Pathan	4,50,000	4,95,000	9,45,000
Mr. K.R. Ramamoorthy	4,50,000	3,75,000	8,25,000
Mr. Arvind Kapur	4,50,000	1,35,000	5,85,000
TOTAL	27,00,000	32,55,000	59,55,000

Except for payment of rent and sitting fees to Dr. Jyotsna Suri and dividend to Mr. Arvind Kapur, Non-Executive Director(s), there is no pecuniary relationship or transactions with the non-executive directors.



The remuneration paid/payable to the Chairperson & Managing Director and Whole-time Director & CEO during the year 2023-24 is as given below:

(Rs. in Lakhs)

S. No.	Name of the Director(s)	Salary & Allowances	Contributions (*)	Commission	Other Benefits(**)	Total
1	Ms. Shradha Suri, Chairperson & Managing Director	214.82	10.97	301.55	1.13	528.47
2	Mr. Parmod Kumar Duggal, Whole-time Director & CEO	127.05	3.10	0	1.80	131.95
	Total	341.87	14.07	301.55	2.93	660.42

(*) represents contribution to Provident Fund

(**) represents differential in actuarial gratuity valuation, perquisites and incentives as per rules & policies of the Company.

There is no obligation on the Company to pay severance fees to the Directors. The Company has not granted any stock options to any of its Directors.

GENERAL BODY MEETINGS

a) Particulars of the last three Annual General Meetings (AGM's) of the Company are given below:

S. No.	Particulars	Date	Venue	Time
1	38 th AGM (in respect of the year 2022-23)	September 5, 2023	Held through Video Conferencing / Other Audio Visual Means	11.30 a.m.
2	37 th AGM (in respect of the year 2021-22)	August 5, 2022		11.00 a.m.
3	36 th AGM (in respect of the year 2020-21)	September 14, 2021		11.30 a.m.

b) The details of Special resolutions passed in AGM in the last 3 years are as follows:

S. No.	AGM	Subject
1	38 th AGM (in respect of the year 2022-23)	-
2	37 th AGM (in respect of the year 2021-22)	Re-appointment of Ms. Shradha Suri as Chairperson & Managing Director of the Company
3	36 th AGM (in respect of the year 2020-21)	-

(c) During the financial year 2023-24, six special resolutions were passed by the Shareholder(s) through Postal Ballot process dated 2-2-2024 and the details of voting pattern is as follows:

S. No	Resolution	No. of Votes Polled	No. & % percentage of votes in favour	No. & % percentage of votes against
1.	Re-appointment of Mr. Arvind Kapur (DIN: 00096308) as an Independent Director of the Company	5,58,81,438	93.36%	6.64%
2.	Appointment of Justice Arjan Kumar Sikri (Retd) (DIN: 08624055) as an Independent Director of the Company	5,58,81,385	99.99%	0.01%
3.	Appointment of Ambassador Deepa Gopalan Wadhwa, IFS (Retd) (07862942) as an Independent Director of the Company	5,58,81,385	99.42%	0.58%
4.	Appointment of Mr. Ashok Lavasa, IAS (Retd) (DIN: 07575403) as an Independent Director of the Company	5,58,81,285	99.99%	0.01%
5.	Appointment of Mrs. Vanaja Narayanan Sarna, IRS (Retd) (DIN: 10419005) as an Independent Director of the Company	5,58,81,385	99.99%	0.01%
6.	Appointment of Ms. Smita Piyush Mankad (DIN: 02009838) as an Independent Director of the Company	5,58,81,285	99.99%	0.01%

(d) Mr. Ravi Sharma (Membership No. FCS 4468 & Certificate of Practice No. 3666), Partner of M/s RSM & Co., Practicing Company Secretaries was appointed as the Scrutinizer for conducting the Postal Ballot/ E-voting process in a fair and



transparent manner.

(e) **Details of special resolution proposed to be transacted through postal ballot:** None

(f) The Postal Ballot process was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs and the Listing Regulations.

MEANS OF COMMUNICATION TO SHAREHOLDERS

The quarterly, half-yearly and annual financial results of the Company are published in leading English and Hindi newspapers which includes Financial Express and Jansatta. These results are also displayed on the Company's website www.subros.com/investors.html. Official news/press releases and official media releases are sent to stock exchange(s) being disseminated on the Company's website. The presentations are made to institutional investors and financial analysts and the schedule of such analyst or institutional investors meet are also informed to the stock exchange(s) and put on the Company's website.

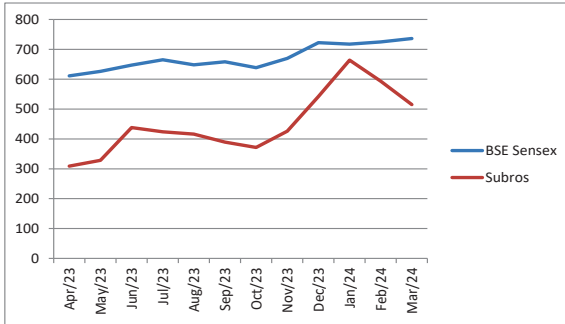
GENERAL SHAREHOLDER INFORMATION

S. No.	Items	Particulars
(a)	Annual General Meeting for FY 2023-24 Day & Date Time Venue	Wednesday, the 18 th September, 2024 11.30 A.M. The Company is conducting meeting through VC/ OAVM pursuant to the MCA Circular dated May 5, 2020, January 13, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 and other applicable circulars. For details kindly refer to the Notice of this AGM.
(b)	Financial year	April 1, 2023 to March 31, 2024
(c)	Dividend Payment Date	October 17, 2024
(d)	Name and address of each stock exchange(s) Listing Fee(s)	BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 National Stock Exchange of India Limited ("NSE") Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400051 Listing Fee(s) have been paid to BSE and NSE for the FY 2023-24 and FY 2024-25
(e)	Stock Code/Symbol ISIN Code	BSE (517168) NSE (SUBROS) INE 287B01021

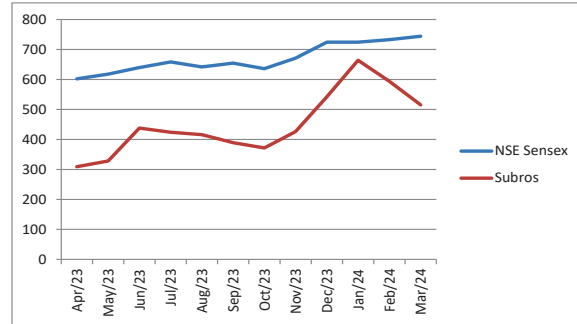
(f) Market Price Data: High/Low during each month of FY 2023-24 on BSE & NSE:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2023	310.05	295.50	311.95	296.00
May, 2023	339.00	301.75	340.00	302.10
June, 2023	521.40	322.80	520.90	322.35
July, 2023	486.55	411.05	487.00	411.90
August, 2023	433.00	372.10	431.35	371.95
September, 2023	463.00	387.40	463.00	387.15
October, 2023	412.00	345.50	419.65	350.65
November, 2023	437.10	365.65	437.65	364.95
December, 2023	577.75	420.15	577.45	426.00
January, 2024	732.65	546.30	733.75	543.70
February, 2024	679.85	564.95	679.00	563.85
March, 2024	605.80	483.65	604.25	483.05

(g) Stock Performance comparison to BSE Index



Stock Performance comparison to NSE Index



Note: BSE indices are scaled at 100 and NSE indices are scaled at 30 from their respective values for comparison.

(h)	Trading of Securities	The securities of the Company are actively traded on BSE and NSE.
(i)	Registrar & Share Transfer Agents	M/s. MCS Share Transfer Agent Limited, F- 65, 1 st Floor, Okhla Industrial Area, Phase I, New Delhi - 110 020
(j)	Share Transfer System	Request received for transmission of shares in physical form being dealt by the RTA within prescribed timelines. In respect of shares held in dematerialised mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit/credit of the accounts involved.

(k) Distribution of Shareholding as on March 31, 2024 (face value of Rs. 2/- per share)

Shareholdings of Nominal Value of Rs.	No. of Shareholders	% of Shareholders	No. of Equity Shares held	% of Shares
0001-500	51530	95.46	3045982	4.67
501-1000	1240	2.30	1004499	1.54
1001-2000	706	1.31	1101114	1.69
2001-3000	152	0.28	384396	0.59
3001-4000	96	0.18	334966	0.51
4001-5000	73	0.13	351841	0.54
5001-10000	94	0.17	686175	1.05
Above 10000	90	0.17	58326777	89.41
Total	53981	100.00	65235750	100.00

(l) Shareholding Pattern as on March 31, 2024

Type	No. of Equity Shares in Demat		No. of Equity Shares in Physical	Total	% of shares
	NSDL (Demat)	CDSL (Demat)			
Promoters	24000000	0	0	24000000	36.79
Foreign Collaborators	20847150	0	0	20847150	31.96
Foreign Institutional Investors	569960	0	0	569960	0.87
Mutual Funds/ UT	5659183	838247	0	6497430	9.96
Corporate Bodies	2868975	106998	1856550	4832523	7.40
Non-Resident Indian	408477	58964	0	467441	0.72
Trust & Foundations	105715	0	0	105715	0.16
Indian Public	4661171	2663752	283463	7608386	11.67
IEPF Account	0	307145	0	307145	0.47
TOTAL	59120631	3975106	2140013	65235750	100.00



S. No.	Items	Particulars
(m)	Dematerialisation of shares & liquidity	As at March 31, 2024 Demat: 53010 Shareholders (98.20% of the Total Shareholders) Demat: 63095737 Shares (96.72% of the Total Shares)
(n)	Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.	Not Applicable
(o)	Commodity price risk or foreign exchangerisk and hedging activities	The Company has in place a Policy on Foreign Exchange Hedging to minimize the financial impact of fluctuating foreign currency exchangerates.
(p)	Plant locations	Noida, Manesar, Pune, Chennai, Karsanpura and Nalagarh
(q)	Address for correspondence	Registered & Corporate Office: LGF, World Trade Centre, Barakhamba Lane, New Delhi 110001.
(r)	Credit Rating	ICRA has upgraded the Long Term Ratings as [ICRA] AA "Stable" and revised Outlook from Positive to stable and re-affirmed the Short Terms Ratings as [ICRA] A1 + "Positive".

OTHER DISCLOSURES:

- a) The Company has formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors and in case of material related parties transactions, approval of the Shareholders are taken wherever required in accordance with the Policy. The material Related Party Transaction details are enclosed as **Annexure 4** to this Report.
- b) The Company has duly complied with the requirements of Listing Agreements with Bombay Stock Exchange, National Stock Exchange, Listing Regulations and other statutory authorities of all matters. No penalty has been imposed on the Company by any of the Stock Exchange or SEBI, or any other statutory authority during the last 3 years relating to the above.
- c) Pursuant to Section 177(9) of the Companies Act, 2013, the Company has established Vigil Mechanism/ Whistle Blower Policy for its Employees, Vendors, Suppliers and Directors of the Company. The purpose and objective of this Policy is to cover serious concerns that would have a larger impact on image and values of the Company due to incorrect financial reporting or serious improper conduct. The details of the Whistle Blower Policy are explained in the Directors' Report and also posted on the website of the Company www.subros.com/policy.html. It is confirmed that no personnel has been denied access to the Audit Committee.
- d) The Company has complied with all mandatory requirements prescribed under Regulation 27 of the Listing Regulations. The Company has not adopted any non-mandatory requirements of Regulation 27 of the Listing Regulations.
- e) The Company has not adopted a policy on material subsidiaries as there is no operating subsidiary company.
- f) The policy on related party is available on the website of the Company www.subros.com/policy.html.
- g) The major commodities are procured directly or through procured components for manufacturing its products. The commodity price risk is a pass-through with some time lag depending upon customer contracts, therefore there is minimal risk in this regard.
- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not applicable
- i) A certificate of Company Secretary in practice confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed herewith as part of this report.
- j) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year: Nil
- k) The details of fees paid to the Statutory Auditors are given in Note 21(a) to the Standalone Financial Statements and Note 21(a) to the Consolidated Financial Statements.
- l) Disclosures of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
Number of complaints filed during the financial year: NIL
Number of complaints disposed off during the financial year: NIL
Number of complaints pending at end of the financial year: NIL
- m) The Company does not have any subsidiary. Details of Loans & Advances in the nature of Loans given by the Company to firms /companies in which directors are interested: NIL

NON COMPLIANCE OF ANY REQUIREMENT OF CGR

The Company has complied with all the requirements of corporate governance as stipulated in the Listing Regulations.

DISCRETIONARY REQUIREMENT

The Board: A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his/her duties: The Chairperson of the Company is an Executive Director and hence this provision is not applicable on the Company.

Shareholder Rights: Quarterly Financial Statements are published in newspapers and uploaded on Company's website.

Modified opinion(s) in Audit Report: During the year review, there is no audit qualification on the Company's financial statements and the statutory auditors have not issued any modified opinion.

Reporting of Internal Auditor: The internal auditors of the Company have direct access to the Audit Committee.

EQUITY SHARES IN THE SUSPENSE ACCOUNT: In accordance with the requirements of the Listing Regulations, there are no equity shares in the suspense account.

Disclosure of certain types of agreements binding listed entities

(1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations. - None

COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS OF REGULATION 27 OF THE LISTING REGULATIONS

The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the Listing Regulations.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR OFFICERS WITH THE COMPANY'S CODE OF CONDUCT:

All Directors and senior management personnel of the Company have affirmed compliance with Company's Code of Conduct for the financial year ended March 31, 2024.

Parmod Kumar Duggal
Whole-time Director & CEO

Place: New Delhi
Dated: 23rd May 2024



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members
SUBROS LIMITED
LGF, World Trade Centre,
Barakhamba Lane,
New Delhi-110 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SUBROS LIMITED** having **CIN L74899DL1985PLC020134** and having registered office at LGF, World Trade Centre, Barakhamba Road, New Delhi - 110 001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, and our responsibility is to express an opinion on these based on our verification, This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & Co.
Company Secretaries
FRN P1997DE017000

CS RAVI SHARMA
Partner
FCS: 4468 | C.P. No.:3666
UDIN F004468F000428023
Peer Review No 978/2020

Date: 23rd May, 2024
Place: Delhi

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members
SUBROS LIMITED
CIN L74899DL1985PLC020134
LGF, World Trade Centre, Barakhamba Lane,
New Delhi-110 001

We have examined the compliance of conditions of Corporate Governance by SUBROS LIMITED ("the Company") for the year ended 31st March, 2024, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & Co.
Company Secretaries
FRN P1997DE017000

CS RAVI SHARMA
Partner
FCS: 4468 | C.P. No.:3666
UDIN F004468F000428023
Peer Review No 978/2020

Date: 23rd May, 2024
Place: Delhi



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT 2023-24

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity : L74899DL1985PLC020134
2. Name of the Listed Entity: SUBROS LIMITED
3. Year of incorporation: 1985
4. Registered office address: LGF, World Trade Centre, Barakhamba Lane, New Delhi-110001
5. Corporate address: LGF, World Trade Centre, Barakhamba Lane, New Delhi-110001
6. E-mail: kamal.samtani@subros.com
7. Telephone: 011-23414946 - 49
8. Website: www.subros.com
9. Financial year for which reporting is being done: 2023-24
10. Name of the Stock Exchange(s) where shares are listed: Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE)
11. Paid-up Capital: Rs 13.05 Crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:

Mr. Parmod Kumar Duggal
Whole-time Director & CEO
Tel. No. 0120-4021000
Email-pduggal@subros.com
13. Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):

The disclosures in this report are prepared on a standalone basis.
14. Name of assurance provider: Not Applicable
15. Type of assurance obtained : Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Manufacturing of Thermal Products	The Company manufactures air conditioning systems/parts and components (automotive/residential/ commercial) and are majorly sold to original equipment manufacturers	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacturing of Air Conditioning systems, including Compressors, HVAC System and radiators	34300	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	9	16	25
International	-	-	-

19. Markets served by the entity:

- a. Number of locations

Locations	Number
National (No. of States)	15
International (No. of Countries)	None



- b. What is the contribution of exports as a percentage of the total turnover of the entity?

The exports are negligible (0.002%).

- c. A brief on types of customers:

The sales follow a Business-to-Business (B2B) model, primarily catering to original equipment manufacturers (OEMs) in sectors such as passenger cars, commercial vehicles, air conditioners, railways, etc.

IV. Employees

20. Details as at the end of Financial Year:

- a. Employees and workers (including differently abled):

S. No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1127	1089	96.63%	38	3.37%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	1127	1089	96.63%	38	3.37%
WORKERS						
4.	Permanent (F)	2561	2378	92.85%	183	7.15%
5.	Other than Permanent (G)	1310	1310	100.00%	0	0%
6.	Total workers (F+G)	3871	3688	95.27%	183	4.73%

- b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	3	75%	1	25%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D+E)	4	3	75%	1	25%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	19	18	94.74%	1	5.26%
5.	Other than permanent (G)	20	20	100.00%	0	0%
6.	Total differently abled workers (F+G)	39	38	97.44%	1	2.56%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	3	25.00%
Key Management Personnel	4	1	25.00%

22. Turnover rate for permanent employees and workers:

(Trends for the past 3 years)

	FY 2023-2024 (Turnover rate in current FY)			FY 2022-2023 (Turnover rate in previous FY)			FY 2021-2022 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18%	22%	20%	19%	33%	26%	15%	15%	15%
Permanent Workers	31%	55%	43%	28%	47%	38%	20%	36%	28%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the Holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	DENSO Subros Thermal Engineering Centre India Private Limited	Associate	26%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Rs.): 3070.57 Crores

(iii) Net worth (in Rs.): 955.85 Crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place(Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	NA	-	-	NA
Investors (other than shareholders)	Yes	-	-	NA	-	-	NA
Shareholders	Yes*	-	-	NA	-	-	NA
Employees and workers	Yes*	-	-	NA	-	-	NA
Customers	Yes	-	-	NA	-	-	NA
Value Chain Partners	Yes	-	-	NA	-	-	NA
Other (Please specify)	-	-	-	-	-	-	-

*<http://www.subros.com/policy.html>

26. Overview of the entity's material responsible business conduct issues are as follows:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emission	R	To meet the increased volumes demanded by customer, GHG emission will increase	Adopting new & advance technology to reduce GHG Emissions	Negative: Adopting new technology for GHG reduction will have financial implications



2	Energy Management	O	Continuous improvement of process and systems for energy efficiency	Renewable power usage, LED lights, day light utilization on the shop floor, energy-efficient gadgets, air conditioners, and motors are the primary measures for enhancing energy efficiency at Subros	Positive: Enhancing energy efficiency will lead to cost savings
3	Employee Health & Safety	R	Health and safety can impact productivity	The Company take timely initiatives related to employee health and safety sustainability	Positive: Employee health and Safety will save cost and improve productivity and profits
4	Waste Management	O	Working continuously on Process & systems for minimum waste generation to a reasonable level	Utilizing regrind material, implementing paperless approvals, and implementing a year-on-year waste reduction strategy align with waste management practices	Positive: Enhancing waste management will lead to cost savings
5	Water Management	R	Limited natural resources can impact operations	Utilizing treated water for operations, employing sewage treatment plant (STP) water for gardening, minimizing groundwater usage, and striving for zero water discharge, alongside process optimization	Positive: Beneficial for society and industry
6	Labour Management	R	Changing labour regulations are impacting manpower management	Compliance with all requirements related to the labour law	Negative : Failure to comply with laws can have financial consequences and higher productivity
7	Supply Chain Management	O	Resilient supply chain ensures business continuity during adverse times, ensuring competitive pricing	The Business Continuity Plan (BCP) and risk management plan address all associated risks comprehensively	Positive: Developing resilience in our supply chain has contributed to long-term outcomes

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Principle-wise (as per NGRBC)

- P1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.
- P2 Businesses should provide goods and services in a manner that is sustainable and safe.
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains.
- P4 Businesses should respect the interests of and be responsive to all its stakeholders.
- P5 Businesses should respect and promote human rights.
- P6 Businesses should respect and make efforts to protect and restore the environment.
- P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
- P8 Businesses should support inclusive growth and equitable development.
- P9 Businesses should engage with and provide value to their consumers in a responsible manner.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board?(Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	(1)	(1)	(1)	(2)	(1)	(3)	(1)	(1)	(1)
Note (1) Code of the Company: http://www.subros.com/code-conduct-ethics.html (2) Policies: http://www.subros.com/policy.html (3) Environment Policy: http://www.subros.com/policy.html									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	N	N	Y	Y	N	N	N
4. Name of the national and international codes/ certifications/labels/ standards (e.g.Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted byyour entity and mapped to each principle.	d	a, b	b, c	d	c, d	b, c	a	d	a
5. Specific commitments, goals and targets set by theentity with defined timelines, if any.	These policies are integral to our system and serve as guiding principles, therefore they cannot be confined by deadlines or targets.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	None								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.	Sustainability is fundamental to our Company's values, guiding our product design philosophy. Our strategic roadmap involves a gradual shift towards renewable energy, aiming to fulfill 35% of our energy requirements through sustainable sources. Our commitment to this transition is reflected in our selection of inputs: <ul style="list-style-type: none"> Gases: R1234f and R32, chosen for their low environmental impact and compatibility with renewable energy technologies. Our operations are aligned with our renewable energy goals and contribute to a more environmental friendly future to achieve the Scope 1 and 2 of the SDG goals.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Parmod Kumar Duggal Whole-time Director and CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on Sustainability related issues? (Yes / No). If yes, provide details.	Mr. Parmod Kumar Duggal Whole-time Director and CEO								



10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Director									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Director									Quarterly								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. No	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N

Note: a. IATF-16949:2016, b. EMS- (ISO-14001:2015), c. OH SMS-(ISO-45001:2018), and d. ERM- (ISO-31000: 2018)

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	None								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics /principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	The Board receives updates on the Company's sustainability initiatives and is briefed on various business, economy, regulatory, environment, safety and health matters to ensure they are well-informed and able to make timely decisions.	100%
Key Managerial Personnel	12	Coverage of the Environmental, Social and Governance, Fire safety, Information Security Management System, Enterprise Risk Management, Employee policy and Company Policy	100%



Segment	Total number of training and awareness programmes held	Topics /principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	173	Coverage of the code of conduct, policies and procedures, ethics, safety, fire drill, social responsibilities, risk, sustainability and waste management.	49%
Workers	118		26%

2. Details of fines/penalties /punishment/ award/ compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format:

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been Preferred? (Yes/ No)
Penalty/ Fine	-	-	-	-	-
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, all business operations conducted by the Company and the actions of its employees, officers, and directors must comply with applicable laws, uphold the core values of the business, and adhere to internal corporate guidelines. The Company has a code of conduct and ethics policy.

<https://www.subros.com/code-conduct-ethics.html>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24	FY 2022-23
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	None	NA	None	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	None	NA	None	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable



8. Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) as below:

	FY 2023-24	FY 2022-23
Number of days of account payables	81.20	82.96

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchase from trading houses as % of total purchases	None	None
	b. Number of trading houses where purchases are made from	Not Applicable	Not Applicable
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not Applicable	Not Applicable
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	2.50%	2.40%
	b. Number of dealers/ distributors to whom sales are made	91	81
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	52%	51%
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	20.17%	22.00%
	b. Sales (Sales to related parties/ Total Sales)	86.24%*	1.18%
	c. Loans and advances (Loans and advances given to related parties/ Total loans and advances)	0.00	0.00
	d. Investments (Investments in related parties/ Total Investments made)	37.08%	7.14%

*two related parties included w.e.f. 01/04/2023

Leadership Indicators		
1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:		
Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-	-	-
2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.		
Yes, the Company has established policies and procedures to effectively manage conflicts of interest. These include a Vigil Mechanism, Corporate Gifting Policy, Code of Conduct, and Insider Trading Policy. Additionally, all employees are required to disclose any personal interests they may have in material, financial, and commercial transactions that could potentially conflict with the interests of the Company.		

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe**Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D (Recurring)	100%	100%	Development of the products energy efficiency and use of the Green gases
R& D (Capex)	100%	100%	
Others (Capex)	100%	Nil	Renewable Energy set up at Karsanpura

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

- b. If yes, what percentages of inputs were sourced sustainable?

100%. The Company prioritizes green procurement by carefully selecting, evaluating, and auditing suppliers based on their sustainability practices and compliance with regulations. Due to the diverse range of materials sourced from various suppliers, it is challenging to determine the exact percentage of items obtained from recycled sources. However, decisions regarding the use of recycled materials are made in collaboration with OEMs, considering the scale and nature of the business.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing off at the end of life, for

(a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The Company's business operations are driven by processes aimed at minimizing waste generation through the adoption of innovative ideas and technologies. These processes are regularly reviewed at each level of the production cycle to ensure the effectiveness of the system. The Company's products are used in vehicles manufactured by Original Equipment Manufacturers (OEMs) and the exact dispose off the Company's product may not be determined.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).

Yes. The waste collection plans are in line with regulations.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format.

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Nil					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).



Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
The input materials are being re-used/re-cycled in the manufacturing process, wherever feasible		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24			FY 2022-23		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1089	1089	100%	1089	100%	0	0%	0	0%	564	51.79%
Female	38	38	100%	38	100%	38	100%	0	0%	21	55.26%
Total	1127	1127	100%	1127	100%	38	100%	0	0%	585	51.91%
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	2378	2378	100%	2378	100%	0	0%	0	0%	1648	69.30%
Female	183	183	100%	183	100%	183	100%	0	0%	155	84.70%
Total	2561	2561	100%	2561	100%	183	100%	0	0%	1803	70.40%

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/ A)	Number (C)	% (C/A)	Number (D)	% (D/ A)	Number (E)	% (E/ A)	Number (F)	% (F/A)
other than Permanent workers											
Male	1310	1310	100%	1310	100%	0	0%	0	0%	482	36.79%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	1310	1310	100%	1310	100%	0	0%	0	0%	482	36.79%

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well- being measures as a % of total revenue of the Company	0.10%	0.09%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/NA)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	0%	100%	Y	0%	100%	Y
Others*- Workmen Compensation	100%	100%	NA	-	-	-

*Wherever applicable

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is actively working towards ensuring that all locations become accessible and friendly for differently abled individuals, facilitating easy access to office areas. In the future, the Company is planning to include the installation of ramps and handrails, provision of accessible washrooms, availability of wheelchairs, and designation of accessible seats and parking spaces in their premises based on suitability.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company has a framework to provide equal opportunities with gender equality, education, training & innovation without any kind of discrimination. Subros upholds an equal opportunities policy at the workplace, accessible to all our employees on the intranet. This policy ensures no discrimination based on disability, race, gender, age, religion, sexual orientation or other beliefs. The Company persist in our efforts to provide equal opportunities for individuals with disabilities across all employment facets, encompassing recruitment, training, promotions, and working conditions. The policy is available at <https://www.subros.com/policy.html>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	The Company has implemented a fair online grievance redressal system, facilitated by various committees such as the Internal Complaints Committee (ICC) for Sexual Harassment, Works Committee, Safety Committee, Canteen Committee, and Transport Committee.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1127	0	0%	1041	0	0%
Male	1089	0	0%	1015	0	0%
Female	38	0	0%	26	0	0%
Total Permanent Workers	2561	204	7.97%	2600	221	8.50%
Male	2378	204	8.58%	2508	221	8.81%
Female	183	0	0%	92	0	0%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1089	590	54.18%	1019	93.57%	1015	325	32.02%	907	89.36%
Female	38	24	63.16%	33	86.84%	26	10	38.46%	25	96.15%
Total	1127	614	54.48%	1052	93.35%	1041	335	32.18%	932	89.53%
Workers										
Male	2378	487	20.48%	1274	53.57%	2508	408	16.27%	1563	62.32%
Female	183	96	52.46%	174	95.08%	92	23	25.00%	81	88.04%
Total	2561	583	22.76%	1448	56.54%	2600	431	16.58%	1644	63.23%

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1089	0	0%	1015	0	0%
Female	38	0	0%	26	0	0%
Total	1127	0	0%	1041	0	0%
Workers						
Male	2378	204	8.58%	2508	221	8.81%
Female	183	0	0%	92	0	0%
Total	2561	204	7.97%	2600	221	8.50%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).
If yes, the coverage such system?

The Company has integrated all its plants and employees into a comprehensive system certified to ISO 45001. Moreover, it adheres to multiple other standards, ensuring adherence to established processes. This holistic approach to occupational health and safety management aims to proactively prevent workplace injuries and illnesses, enhance compliance with legal requirements, and foster worker engagement through educational initiatives.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company conducts both internal and external audits, emphasizing the importance of rigorous evaluation. It has also implemented the principle of Hazard Identification and Risk Assessment (HIRA) across all sections, demonstrating a proactive approach to identifying and mitigating potential risks. Moreover, the Company prioritizes the identification of top risks in each department, utilizing near-miss reporting as a valuable tool. Safety measures are meticulously implemented in accordance with various factory and labor laws, underscoring the Company's commitment to regulatory compliance and employee well-being.

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has established procedures for workers to report work-related hazards and remove themselves from such risks. This is facilitated through the promotion of a reporting system and engagement in Kaizen activities focused on enhancing workplace conditions.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, Employees/workers are covered under ESIC/Medical Insurance or Accidental insurance and have access to non-occupational medical and healthcare services, encompassing access to dispensaries across all locations. Additionally, avenues such as regular health checkups, health talks, yoga sessions, and partnerships with hospitals/pathology centers are available for employees/workers to utilize for non-occupational medical and healthcare needs.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-2024	FY 2022-2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	–	–
	Workers	–	–
Total recordable work-related injuries	Employees	–	–
	Workers	–	–
No. of fatalities	Employees	–	–
	Workers	–	–
High consequence work-related injury or ill-health (excluding fatalities)	Employees	–	–
	Workers	–	–

* Including into the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has implemented the principle for the strict use of PPEs such as helmets, gloves, and safety shoes. Each and every shop floor employee undergoes a mandatory six-days induction program about safety before deployment. Safety month is celebrated, and awareness programs are organized through classroom training and Nukkad Natak, among other methods. Periodic mock drills are conducted for all possible scenarios, including fire, earthquake, chemical spills, and electrocution and so on. The Company has also implemented ISO 45001 certification for a safe workplace, and internal safety audits are regularly conducted.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	–	–	No complaints registered	–	–	No complaints registered
Health & Safety	–	–		–	–	



14. Assessments for the year:

	% of your plants and office that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

The Company rigorously follows Behavior-Based Safety practices, placing a strong emphasis on incident and near-miss reporting. Safety-themed months and activities are regularly organized, with safety being prominently highlighted in Long Term Settlement (LTS) and employee appointment letters. Moreover, the Company maintains a zero-tolerance policy towards safety practice violations.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Yes, specific benefits of insurance are provided to both employees and workers in the event of mishaps and also to support employees' families in the event of the death.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures the collection of all documentary evidence for the deduction and deposit of statutory dues, supported by management declarations. Additionally, it holds payments to value chain partners in case of defaults.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-2024	FY 2022-2023	FY 2023-2024	FY 2022-2023
Employees	–	–	–	–
Workers	–	–	–	–

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners: Nil

6. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No such risks or concerns were identified during the year.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company has identified stakeholders based on gender, including groups of females, employees associated with unions, groups of trainees under skill upgradation frameworks, and groups of vendor partners etc. These groups are integrated into the Company's overall group framework, governed by policies and procedures.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency engagement (Annually/ Half yearly/ Quarterly/ others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	Emails, Internet, Meetings, Notice Board, Newsletters etc	Regular	Collective knowledge, and experience, capacity building, productivity enhancement, physical safety, work related safety, human and legal rights, work related issues, industrial harmony, well beings, and facilities etc
Community	No	Community Meetings, Advertisements, CSR Initiatives, Notice Board	Ongoing/need based	Promote awareness on social issues, lives of people, local development, education, for under privileges, disaster management and preventive healthcare etc
Regulatory Authorities	No	Industry Association, Liaosining	Regular	Policy strengthening, social-economic benefits to all stakeholders
Vendor Partners	No	Meetings, Emails, SMS, Website, Advertisement etc	As & when required	Value addition to product, skill enhancement, govt policies, environment & sustainability, cost & quality etc.
Investors/ Shareholders	No	Website, Press releases, Stock Exchanges announcements, Regulatory filings, Conferences/calls etc	Quarterly financial results earning calls, Company updates as and when required	Educating the Investors and other stakeholders and fulfilling their requirements within statutory norms.
Customers	No	Meetings, Emails, Website, Trade shows, Fairs etc	Regular	New product development, future business opportunities, quality checks, feedback and improvement

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Summary reports and meeting minutes are shared with management on a monthly or quarterly basis during management reviews.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).

Yes

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

None



PRINCIPLE 5: Businesses should respect and promote human rights**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-2024			FY 2022-2023		
	Total (A)	No. employees of workers/ covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1127	455	40.37%	1041	265	25.46%
Other than permanent	0	0	0%	0	0	0%
Total Employees	1127	455	40.37%	1041	265	25.46%
Workers						
Permanent	2561	614	23.98%	2600	131	5.04%
Other than permanent	1310	0	0%	992	0	0%
Total Workers	3871	614	15.86%	3592	131	3.65%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-2024					FY 2022-2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1127	0	0%	1127	100%	1041	0	0%	1041	100%
Male	1089	0	0%	1089	100%	1015	0	0%	1015	100%
Female	38	0	0%	38	100%	26	0	0%	26	100%
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	2561	0	0%	2561	100%	2600	0	0%	2600	100%
Male	2378	0	0%	2378	100%	2508	0	0%	2508	100%
Female	183	0	0%	183	100%	92	0	0%	92	100%
Other than Permanent	1310	1310	100%	0	0%	992	992	100%	0	0%
Male	1310	1310	100%	0	0%	992	992	100%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%

3. Details of remuneration/salary/wages, in the following format:

- a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (Rs.)	Number	Median remuneration/ salary/ wages of respective category (Rs.)
Executive director(s)	1**	127.34	1*	226.92
Key Managerial Personnel	2**	59.87	0	-
Employees (Median in Rs.)	1086	63035	37	44508
Workers (Median in Rs.)	2378	16763	183	15185

* Represent remuneration (other than commission) of Chairperson & Managing Director (Rs. in Lakhs)

** Represent remuneration (Rs. in Lakhs)



- b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	2%	3%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has designated focal points for addressing human rights through Local Plant HR and Plant Heads at each location of the Company's plants and in case of non-redressal the same can be addressed to Central HR at the corporate level for further attention.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has a mechanism in place for whistle blower and protection system, where any person (internal or external) can reach out to the HR Head/Plant Head for their grievance. The mechanism ensures that their concerns are addressed promptly and effectively.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-2024			FY 2022-2023		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	–	–	–	–	–	–
Discrimination at workplace	–	–	–	–	–	–
Child Labour	–	–	–	–	–	–
Forced Labour/Involuntary Labour	–	–	–	–	–	–
Wages	–	–	–	–	–	–
Other human Rights related issues	–	–	–	–	–	–

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-2024	FY 2022-2023
Total Complaints reported under Sexual Harassment on of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	–	–
Complaints on POSH as a % of female employees/ workers	–	–
Complaints on POSH upheld	–	–

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has implemented comprehensive policies to address both whistle blowing and the prevention of sexual harassment, aiming to safeguard complainants from adverse consequences. These policies ensure unbiased treatment at all employment levels, irrespective of disability, race, gender, age, religion, sexual orientation, or other beliefs.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No):

Yes, the Company incorporates human rights into all agreements and contracts. These provisions cover aspects such as the use of safety measures, adherence to minimum wage standards, payment of statutory dues, and the employment of adult workers etc.

10. Assessments for the year:

	% of your plants and offices that were assessed by the entity
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	–



11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

None

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
None
2. Details of the scope and coverage of any Human rights due-diligence conducted.
None
3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is committed to offering equal opportunities to differently abled visitors and is actively taking steps to establish infrastructure support for these persons across all offices and locations. Specifically, modifications such as stair modifications and the installation of ramps have been implemented in the plants.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil No assessment has been carried out
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

None

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-2024 (in Giga Joules)	FY 2022-23 (in Giga Joules)
From renewable sources		
Total electricity consumption (A) Solar	58356	61476
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewal sources (A+B+C)	58356	61476
From non-renewable sources		
Total electricity consumption (D)	111449	96598
Total fuel consumption (E)	16534	19166
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewal sources (D+E+F)	127983	115764
Total energy consumed (A+B+C+D+E+F)	186339	177240
Energy intensity per crores rupee of turnover (Total energy consumed/Revenue from operations)	60.69	63.16
Energy intensity per rupee of turnover adjusted for purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)*	0.001345	0.001415
Energy intensity in terms of physical output**	11.68	10.87
Energy intensity (optional)- the relevant metric may be selected by the entity	-	-

*For the purpose of PPP adjustment, conversion rate of INR 22.167/USD (for 2023) and INR 22.401/USD (for 2024) has been taken as per the latest information available on the IMF.

**The energy intensity for total number of units consumed by Company has been given as required by this report and this may not be correct representation of "energy intensity by physical output" as multiple products manufactured by the Company are not comparable using a common unit of measurement.

No independent assessment/ evaluation/assurance has been carried out by an external agency.



2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. No
3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (in kiloliters)	FY 2022-23 (in kiloliters)
Water withdrawal by source		
(i) Surface water	0	0
(ii) Ground water	179613	173812
(iii) Third party water	26556	21384
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (i + ii + iii + iv + v)	206169	195196
Total volume of water consumption	150150	81882
Water intensity per crores rupee of turnover (Total water consumption/ Revenue from operations)	48.90	29.18
Water intensity per rupee of turnover adjusted for purchasing Power Parity (PPP) (Total water consumption/ revenue from operations adjusted for PPP)*	0.001084	0.000654
Water intensity in terms of physical output**	10.55	9.87
Water intensity (optional)- the relevant metric may be selected by the entity	-	-

*For the purpose of PPP adjustment, conversion rate of INR 22.167/USD (for 2023) and INR 22.401/USD (for 2024) has been taken as per the latest information available on the IMF.

**The water intensity for total number of units consumed by Company has been given as required by this report and this may not be correct representation of "water intensity by physical output" as multiple products manufactured by the Company are not comparable using a common unit of measurement.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

4. Provide the following details related to water discharged:

Parameters	FY 2023-2024 (in kilolitres)	FY 2022-2023 (in kilolitres)
Water discharge by destination and level of treatment		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(iv) Sent to third- parties	56019	108674
- No treatment	0	0
- With treatment- please specify level of treatment	56019	108674
(v) Others	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
Total water discharged	56019	108674

No independent assessment/ evaluation/assurance has been carried out by an external agency

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has system in place for zero liquid discharge and has been working to utilize the wastages within the process itself.



6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	Kg	6079.82	4329.57
Sox	Kg	56.238	40.0485
Particulate matter (PM)	Kg	303.991	216.478
Persistent organic pollutants (POP)	–	–	–
Volatile organic compounds (VOC)	–	–	–
Hazardous air pollutants (HAP)	–	–	–
Others–please specify	–	–	–

No independent assessment/ evaluation/assurance has been carried out by an external agency.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1388.31	3484
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	23466.30	24592
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and scope 2 GHG emissions/ Revenue from operations)	tCO ₂ /mn of RS	8.06	10.00
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and scope 2 GHG emissions/ Revenue from operations adjusted for PPP)	tCO ₂ e/cr	194.33	224.11
Total Scope 1 and Scope 2 emission intensity in terms of physical output		0.01142	0.01458
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Not Applicable	

No independent assessment/ evaluation/assurance has been carried out by an external agency.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. Yes details given below:

Yes, the Company has undertaken multiple projects aimed at enhancing resource efficiency and minimizing environmental emissions. These initiatives include measures to mitigate the impacts of climate change and enhance energy efficiency, leading to a reduction in greenhouse gas emissions. Projects encompass the installation of dual fuel and RECD kits, the implementation of VFD on air compressors, the establishment of solar plants with renewable power purchase agreements, and the replacement or elimination of hydraulic power packs for bending machines, oil cooler fan motors, and other components.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	60.17	37.29
E-waste (B)	2.18	2.57
Bio-medical waste (C)	0.01	0.01
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste (G)	29.77	159.96
Other Non-hazardous biodegradable waste generated (H).	777.43	954.78
Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	NA	NA
Total (A+B+C+D+E+F + G+ H)	869.56	1154.61

Parameter	FY 2023-24	FY 2022-23
Waste intensity per rupee of turnover (Total waste generated/ Revenue from operations)	0.28	0.41
Waste intensity per rupee of turnover adjusted for purchasing Power Parity (PPP) (Total waste generated/ revenue from operations adjusted for PPP)	6.2775	9.216621
Waste intensity in terms of physical output	0.00040	0.00060
Waste intensity (optional)- the relevant metric may be selected by the entity	0	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	5026.27	184.14
(ii) Re-used	0	40.94
(iii) Other recovery operations	0	2.57
Total	5026.27	227.65
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.157	0.126
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	0.157	0.126

Assessment has been carried out under the environment management system ISO 14001 Certification issued by Bureau Veritas Certificate.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by the Company to reduce usage of hazardous and toxic chemicals in its products and processes and the practices adopted to manage such wastes.

The Company has implemented a waste management process and adheres to relevant guidelines based on the nature of the waste.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and Corrective action taken, if any.
Not applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: **Yes**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines /penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				



Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information:

- (i) Name of the area: All manufacturing locations
- (ii) Nature of operations: Manufacturing
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameters	FY 2023-2024 (in kilolitres)	FY 2022-2023 (in kilolitres)
Water withdrawal by source		
(i) Surface water	0	0
(ii) Ground water	179613	173812
(iii) Third party water	26556	16744
(iv) Seawater/ desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal	206169	190556
Total volume of water consumption	150150	81882
Water intensity per rupee of turnover (water consumed/ turnover)	48.90	29.18
Water intensity (optional)- the relevant metric may be selected by the entity*	-	-
Water discharge by destination and level of treatment		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(iii) Into Groundwater	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(iv) Into Seawater	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(v) Sent to third- parties	56019	108674
- No treatment	0	0
- With treatment- please specify level of treatment	56019	108674
(vi) Others	0	0
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
Total water discharged	56019	108674

*For the purpose of PPP adjustment, conversion rate of INR 22.167/USD (for 2023) and INR 22.401/USD (for 2024) has been taken as per the latest information available on the IMF.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9303.75	11554
Total Scope 3 emissions per rupee of turnover	tCO ₂ / Cr	3.02	4.12
Total Scope 3 emission intensity (optional)- the relevant metric may be selected by the entity	-	-	-

No independent assessment/ evaluation/assurance has been carried out by an external agency.

Note: Assessment for Scope-3 is dynamic & new inputs related to Emission are under evaluation.

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities:

Not Applicable



4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along – with summary)	Outcome of the initiative
1	Rooftop Solar	NA	Annual generation of 17.8 Lakhs KWh
2	Energy Efficient HVLS fan for cooling	NA	Annual Saving of 1.1 Lakhs KWh
3	Reuse of WLT water in Cooling Tower	NA	Annual Saving of 3000 KL

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
 Yes, the Company has established a business continuity and disaster management plan. Specifically, a disaster recovery plan is designed to mitigate the organization's business risk stemming from unforeseen disruptions of critical IT functions or operations essential for business continuity. This plan outlines specific actions, allocated resources, and procedures to be followed in the event of a disaster. Additionally, the IT team conducts routine data recovery drills to assess the effectiveness of the process and plan.
 Moreover, the Company's supply chain also ensures business continuity during natural calamities, socio-political situations, supply shortages, and implements various measures to minimize supply disruptions, thereby ensuring business continuity.
6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
 None
7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
 Not Applicable

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
 The Company has affiliations with four trade and industry chambers/ associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Automotive Component Manufacturers Association (ACMA)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
4	Society of Automotive Engineers India (SAE INDIA)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/Half yearly/Quarterly/Other-please specify)	Web Link, if available
Not Applicable					



PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**Essential Indicators**

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

The Company has not undertaken any SIAs in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web Link
None					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project No. for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
None						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has launched a wide range of CSR initiatives tailored to address the specific needs of communities. Additionally, there is a mechanism in place to address social issues in the vicinity of each plant.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	0.39%	0.62%
Directly from within India	77.00%	75.00%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2023-2024	FY 2022-2023
Rural	7.92%	7.15%
Semi-urban	4.98%	4.56%
Urban	85.81%	87.03%
Metropolitan	1.29%	1.26%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
None	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
None			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

- (b) From which marginalized /vulnerable groups do you procure?

Not Applicable



- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
None		

6. Details of beneficiaries of CSR Projects:

S. No	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Enhancing Vocational Skills Benefits	1320	100
2.	Project Prayas	1000	100
	Total	2320	

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
The Company has a Complaint Management System in place to address and resolve grievances, ensuring timely resolution.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environment and Social Parameters relevant to the Product	100%
Safe and responsible usage	100%
Recycling and / or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil					
Advertising						
Cyber-security						
Delivery of essential Services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the policy is available at <https://www.subros.com/policy.html>.



6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services:

Not Applicable

7. Provide the following information relating to data breaches:

- a) Number of instances of data breaches: NIL
- b) Percentage of data breaches involving personally identifiable information of customers: Not Applicable
- c) Impact, if any, of the data breaches: Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Details available at <https://www.subros.com/products.html>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company has adopted a step-by-step approach to inform and educate consumers about the safe and responsible usage of products and/or services. These efforts are entirely focused on ensuring safety.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services:

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Being undertaken as the part of process.

Independent Auditor's Report

To the Members of Subros Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Subros Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of capitalisation of internal development costs in relation to intangible assets under development</p> <p>[Refer note 4 (Intangible assets and intangible assets under development) to the Standalone Financial Statements]</p> <p>During the year ended March 31, 2024, the Company has capitalized significant costs incurred on internal development of intangible assets amounting to Rs. 3,239.04 lakhs under the head 'Intangible assets under development'. These intangible assets are predominantly in relation to the projects awarded by original equipment manufacturers. The costs mainly comprise technical knowhow, employees' payroll and other costs.</p> <p>The capitalization of internal development costs was a key audit matter due to the amount of the internal development costs capitalized and judgement involved in assessing whether the criteria for capitalisation set out in the Indian Accounting Standard (Ind AS) 38 "Intangible Assets" had been met.</p> <p>Significant judgement was made by the management in the determination of –</p> <ol style="list-style-type: none"> i) whether the costs incurred is towards development of product or in the nature of research, ii) the costs, including payroll costs, were directly attributable to relevant projects, and iii) key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalised. 	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Understood and evaluated the design and tested the operating effectiveness of the Company's internal financial controls relating to the capitalisation of internal development costs in relation to intangible assets under development. - Assessed the appropriateness of capitalization of product development costs with the criteria to capitalize product development costs and held inquiries with the management to understand their assessment to support the product's commercial viability. - Tested the accuracy and allocation of capitalized payroll and other costs and assessed whether these are directly attributable to the development as against research. - Assessed appropriateness of the assumptions underlying cash flow forecasts including the future revenue, expected margins to be achieved with reference to historical data and management approved margins in the AOP (Annual Operating Plan), inputs used by the Management to calculate the discount rate applied by comparing this to the cost of capital for the Company. We also involved specialists to evaluate the reasonability of cost of capital of the Company used to discount the future cash flows expected from the asset once developed and capitalised. - Performed a sensitivity analysis over the key assumptions which included assessing the impact of change in those assumptions that would be required for future economic benefits falling short of the carrying value of capitalized internal development costs. <p>As a result of the above procedures, the capitalisation of internal development costs by the Company was considered to be appropriate.</p>



Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone 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.

Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

8. Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Standalone 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 Company has adequate internal financial controls with reference to Standalone 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 management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key

audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 26 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts for which there were any material foreseeable losses. The Company did not have any long-term derivative contracts as at March 31, 2024.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 32(vii) to the Standalone Financial Statements, 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 Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 32(vii) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log at the application level is not maintained in case of modification by certain users with specific access and audit trail has not been enabled at the database level to log any direct data changes. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.
15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number: 057134

UDIN: 24057134BKGUAH7548
Place: Gurugram
Date: May 23, 2024



Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Subros Limited on the Standalone Financial Statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to Standalone Financial Statements of Subros Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone 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 Standalone Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our

audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number: 057134

UDIN: 24057134BKGUAH7548
Place: Gurugram
Date: May 23, 2024



Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Subros Limited on the Standalone Financial Statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
 - (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the Standalone Financial Statements, are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including right-of-use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties and goods in transit has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them and for goods in transit, the goods have been received subsequent to the year end in most of the cases. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the unaudited books of account, however such differences between the amounts disclosed to the banks and those as per the books of accounts as given in the table below have been reconciled. (Also, refer Note 34 to the Standalone Financial Statements).

Name of Banks	Aggregate working capital limits sanctioned (Amount in Lakhs)	Nature of current assets offered as security	Nature of current assets/liabilities where differences were observed	Quarter ended	Amount disclosed as per quarterly return/ statement (Amount in Lakhs)	Amount as per books of account (Amount in Lakhs)	Difference (Amount in Lakhs)	Reasons for difference
HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	June 2023	36,405.59	36,454.88	(49.29)	Inter-plant goods in transit not considered in return submitted to banks.
ICICI Bank	2,000		Trade receivables	June 2023	28,563.93	29,093.49	(529.56)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
Kotak Mahindra Bank	1,000		Trade payables	June 2023	50,612.30	50,148.45	463.85	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
State Bank of India	7,500							
HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	September 2023	36,627.22	36,640.95	(13.73)	Inter-plant goods in transit not considered in return submitted to banks.
ICICI Bank	2,000		Trade receivables	September 2023	33,559.08	33,737.18	(178.10)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
Kotak Mahindra Bank	1,000		Trade payables	September 2023	49,640.72	56,566.32	(6,925.60)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
State Bank of India	7,500							



HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	December 2023	39,560.00	39,556.69	3.31	Rounding off difference, amount is immaterial
ICICI Bank	2,000		Trade receivables	December 2023	25,301.47	25,768.34	(466.87)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
Kotak Mahindra Bank	1,000		Trade payables	December 2023	47,786.61	49,202.47	(1,415.86)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
State Bank of India	7,500							
HDFC Bank	12,500		Inventories	March 2024	37,581.22	37,505.60	75.62	Inter-plant goods in transit not considered in return submitted to banks. Further, some imported goods in transit considered in return submitted to banks but reversed as an adjustment before closure of books of account.
ICICI Bank	2,000		Trade receivables	March 2024	27,607.81	28,318.47	(710.66)	
Kotak Mahindra Bank	1,000	Trade payables	March 2024	46,397.36	50,437.50	(4,040.14)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.	
State Bank of India	7,500							

- iii. (a) The Company has made investments in mutual funds and granted unsecured loans to certain employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to parties other than subsidiaries, joint ventures and associates are as per the table given below:

Particulars	Loans (Amount in Rs. Lakhs)
Aggregate amount granted during the year - Others (employees)	165.40
Balance outstanding as at balance sheet date in respect of the above case - Others (employees)	77.29

(Also, refer Note 5(b)(vi) to the Standalone Financial Statements)

The Company has not made any other investments, granted secured/ unsecured loans/advances in nature of loans to companies / firms / Limited Liability Partnerships/ or any other parties, or stood guarantee, or provided security to companies / firms / Limited Liability Partnerships/ or any other parties.

- (b) In respect of the aforesaid investments and loans, the terms and conditions under which such investments were made or loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loans, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated.
- (d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which have fallen due during the year and were renewed/extended. Further, no

fresh loans were granted to same parties to settle the existing overdue loans.

- (f) There were no loans/ advances in nature of loans which were granted during the year, which are repayable on demand or where no schedule for repayment of principal has been stipulated by the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made. The Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186 and therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company to that extent.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer note 37 to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund.

- (b) There are no statutory dues of service tax, provident fund, employees' state insurance and cess which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Amount paid under protest (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	135.23	-	Assessment Year 2003-04	Hon'ble High Court of Delhi
The Income Tax Act, 1961	Income Tax	19.41	19.41	Assessment Year 2015-16	Income Tax Appellate Tribunal, New Delhi
The Income Tax Act, 1961	Income Tax	23.40	4.68	Assessment Year 2016-17	Income Tax Appellate Tribunal, New Delhi
The Income Tax Act, 1961	Income Tax	166.35	6.11	Assessment Year 2017-18	Income Tax Appellate Tribunal, New Delhi
The Income Tax Act, 1961	Income Tax	1,072.17	-	Assessment Year 2018-19	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	105.03	-	Assessment Year 2020-21	Income Tax Appellate Tribunal, New Delhi
The Income Tax Act, 1961	Income Tax	94.59	-	Assessment Year 2021-22	Assessing Officer*
The Income Tax Act, 1961	Income Tax	13.13	-	Assessment Year 2022-23	Commissioner of Income Tax (Appeals)
The Customs Act, 1962	Custom Duty	1,183.82	-	June 2012 to July 2017	Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Allahabad
The Customs Act, 1962	Custom Duty	15.19	-	July 2017 to March 2019	Commissioner of Customs, Maharashtra
The Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	79.74	79.74	2002-03 to 2004-05	Hon'ble High Court of Andhra Pradesh
The Central Excise Act, 1944	Central Excise Duty	75.81	-	December 2013 to May 2016	Joint Commissioner, Pune
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	24.32	-	2017-18	Superintendent of CGST and Central Excise, Chennai
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	4.27	-	2017-18	Additional Commissioner of Commercial Taxes (Appeals-II)

* During the year ended March 31, 2024, Commissioner of Income Tax (Appeals) passed order dated October 16, 2023 in favour of the Company and referred back to Assessing Officer to pass an appeal effect order.

- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not obtained any term loans during the year ended March 31, 2024 and there was no unutilized balance of term loan obtained in earlier years as on April 1, 2023. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) On an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture. The Company does not have any subsidiary or associate, and hence this clause is not applicable to that extent.
- (f) According to the information and explanations given



- to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its joint venture. The Company does not have any subsidiary or associate, and hence this clause is not applicable to that extent.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the



audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in

respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number 057134

UDIN : 24057134BKGUAH7548

Place: Gurugram

Date: May 23, 2024



CIN: L74899DL1985PLC020134

BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	58,652.75	55,212.57
Right-of-use assets	27	3,609.25	3,719.45
Capital work-in-progress	3	4,053.45	5,572.41
Intangible assets	4	12,244.85	13,386.73
Intangible assets under development	4	3,978.79	3,029.75
Investment in joint venture	5(a)	176.80	176.80
Financial assets			
i) Investment	5(b)(i)	299.98	299.98
ii) Loans	5(b)(vi)	11.81	17.02
iii) Other financial assets	5(b)(vii)	964.11	3,459.99
Non-current tax assets (net)	9	211.71	241.55
Other non-current assets	7	179.50	705.84
Total non-current assets		84,383.00	85,822.09
Current assets			
Inventories	8	37,505.60	33,864.47
Financial assets			
i) Investment	5(b)(ii)	-	2,000.00
ii) Trade receivables	5(b)(iii)	28,318.47	20,804.58
iii) Cash and cash equivalents	5(b)(iv)	3,915.70	3,066.62
iv) Bank balances other than (iii) above	5(b)(v)	8,319.42	5,772.63
v) Loans	5(b)(vi)	65.48	66.24
vi) Other financial assets	5(b)(vii)	323.00	191.23
Other current assets	7	2,266.30	2,701.03
Total current assets		80,713.97	68,466.80
TOTAL ASSETS		165,096.97	154,288.89
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10 (a)	1,304.71	1,304.71
Other equity	10 (b)	94,279.89	85,407.77
Total equity		95,584.60	86,712.48
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	11 (a)	-	468.75
ii) Lease liabilities	27	440.50	444.34
Provisions	12	1,353.16	1,051.98
Deferred tax liabilities (net)	6	5,086.19	3,370.64
Other non-current liabilities	11 (f)	-	248.27
Total non-current liabilities		6,879.85	5,583.98
Current liabilities			
Financial liabilities			
i) Borrowings	11 (b)	-	870.76
ii) Lease liabilities	27	45.65	82.84
iii) Supplier's credit	11 (g)	2,971.60	6,274.58
iv) Trade payables			
(a) Total outstanding dues of micro and small enterprises	11 (d)	79.53	118.42
(b) Total outstanding dues of creditors other than micro and small enterprises	11 (d)	50,357.97	48,753.15
v) Other financial liabilities	11 (c)	4,698.57	2,121.54
Contract liabilities	13 (a)	809.66	838.35
Provisions	12	653.02	580.99
Current tax liabilities	11 (e)	89.67	237.76
Other current liabilities	13 (b)	2,926.85	2,114.04
Total current liabilities		62,632.52	61,992.43
TOTAL LIABILITIES		69,512.37	67,576.41
TOTAL EQUITY AND LIABILITIES		165,096.97	154,288.89

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No.: 057134**Shradha Suri**
Chairperson &
Managing Director
DIN : 00176902**Parmod Kumar Duggal**
Whole time Director &
Chief Executive Officer
DIN : 02382912Place : Gurugram
Date : May 23, 2024**Hemant Kumar Agarwal**
Chief Financial Officer &
Vice President (Finance)**Kamal Samtani**
Company Secretary
ICSI Membership No:- F5140Place : New Delhi
Date : May 23, 2024

CIN: L74899DL1985PLC020134

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts in Rs. Lakhs, unless otherwise stated)*

	Particulars	Note no	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	14	307,057.06	280,628.17
II	Other income	15	1,467.11	2,056.96
III	Total income (I + II)		308,524.17	282,685.13
IV	Expenses			
	Cost of material consumed	16	227,860.05	213,790.79
	Changes in inventories of finished goods and work-in-progress	17	(1,132.80)	1,241.72
	Employee benefits expense	18	28,409.14	24,772.46
	Finance costs	19	1,167.22	677.71
	Depreciation and amortization expense	20	11,650.71	11,028.07
	Other expenses	21	26,499.73	24,072.87
	Total expenses (IV)		294,454.05	275,583.62
V	Profit before tax (III - IV)		14,070.12	7,101.51
VI	Tax expense:	6		
	-Current tax		2,506.96	1,217.71
	-Deferred tax		1,796.87	1,075.24
	Total tax expense (VI)		4,303.83	2,292.95
VII	Profit for the year (V-VI)		9,766.29	4,808.56
VIII	Other comprehensive income			
	<i>Items that will not be reclassified to profit or loss</i>			
	Gain/(Loss) on remeasurements of post employment benefit obligations	28	(323.13)	23.05
	Income tax relating to the above item	6	81.32	(8.06)
	Other comprehensive income for the year, net of tax (VIII)		(241.81)	14.99
IX	Total comprehensive income for the year (VII + VIII)		9,524.48	4,823.55
	Earning per equity share (in Rs.) [Face value Rs. 2 each (March 31, 2023 : Rs. 2 each)]	30		
	Basic and Diluted		14.97	7.37

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Statement of Profit and Loss (including other comprehensive income) referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No.: 057134**Shradha Suri**
Chairperson &
Managing Director
DIN : 00176902**Parmod Kumar Duggal**
Whole-time Director &
Chief Executive Officer
DIN : 02382912Place : Gurugram
Date : May 23, 2024**Hemant Kumar Agarwal**
Chief Financial Officer &
Vice President (Finance)**Kamal Samtani**
Company Secretary
ICSI Membership No:- F5140Place : New Delhi
Date : May 23, 2024

CIN: L74899DL1985PLC020134

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024**A. Equity share capital***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	Note no	Amount
Balance as at March 31, 2022	10 (a)	1,304.71
Changes in equity share capital during 2022-23		-
Balance as at March 31, 2023		1,304.71
Changes in equity share capital during 2023-24		-
Balance as at March 31, 2024		1,304.71

B. Other equity*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	Note no	Reserves and surplus			Total
		Securities premium	General reserve	Retained earnings	
Balance as at March 31, 2022	10 (b)	20,817.44	12,575.48	47,647.95	81,040.87
Profit for the year		-	-	4,808.56	4,808.56
Other comprehensive Income					
Gain / (Loss) on remeasurements of post employment benefit obligations		-	-	23.05	23.05
Income tax relating to the above item		-	-	(8.06)	(8.06)
Total comprehensive income for the year		-	-	4,823.55	4,823.55
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(456.65)	(456.65)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2023		20,817.44	12,725.48	51,864.85	85,407.77
Balance as at April 1, 2023		20,817.44	12,725.48	51,864.85	85,407.77
Profit for the year		-	-	9,766.29	9,766.29
Other comprehensive Income					
Gain / (Loss) on remeasurements of post employment benefit obligations		-	-	(323.13)	(323.13)
Income tax relating to the above item		-	-	81.32	81.32
Total comprehensive income for the year		-	-	9,524.48	9,524.48
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(652.36)	(652.36)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2024		20,817.44	12,875.48	60,586.97	94,279.89

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No.: 057134**Shradha Suri**
Chairperson &
Managing Director
DIN : 00176902**Parmod Kumar Duggal**
Whole-time Director &
Chief Executive Officer
DIN : 02382912Place : Gurugram
Date : May 23, 2024**Hemant Kumar Agarwal**
Chief Financial Officer &
Vice President (Finance)**Kamal Samtani**
Company Secretary
ICSI Membership No:- F5140Place : New Delhi
Date : May 23, 2024

CIN: L74899DL1985PLC020134

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	Note no	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities			
Profit before tax		14,070.12	7,101.51
Adjustments for:			
Depreciation and amortization expense	20	11,650.71	11,028.07
Net loss on disposal of property, plant and equipment	21	92.42	53.51
Interest income on financial assets at amortized cost and others	15	(674.82)	(530.11)
Unwinding of discount on financial asset	15	(6.07)	(6.36)
Finance costs	19	1,167.22	677.71
Provision for inventory obsolescence made / (written back)	8	(150.70)	153.55
Unrealized foreign currency (gain)/ loss (net)		(92.08)	140.03
Loss allowance made	5(b)(iii)	-	1.59
Dividend income from investment in joint venture	15	(12.58)	(28.23)
Net gain on sale of investments	15	(240.82)	(131.26)
Fair value changes on derivatives	15	194.80	(367.39)
Operating profit before working capital changes		25,998.20	18,092.62
Adjustments for changes in operating assets and liabilities:			
(Increase)/ Decrease in loans (non-current)		11.28	14.75
(Increase)/ Decrease in other financial assets (non-current)		2,463.25	(2,507.70)
(Increase)/ Decrease in inventories		(3,490.43)	(2,267.51)
(Increase)/ Decrease in trade receivables		(7,513.89)	1,830.03
(Increase)/ Decrease in loans (current)		0.76	(10.33)
(Increase)/ Decrease in bank balances other than cash and cash equivalents		(2,550.00)	2,951.43
(Increase)/ Decrease in other financial assets (current)		95.22	(91.15)
(Increase)/ Decrease in other current assets		434.73	(155.27)
Increase/ (Decrease) in non-current provisions		(21.95)	33.87
Increase/ (Decrease) in trade payables		1,658.01	(147.32)
Increase/ (Decrease) in contract liabilities		(28.69)	(1,816.05)
Increase/ (Decrease) in other financial liabilities (current)		1,432.03	(787.87)
Increase/ (Decrease) in other current liabilities		812.81	(220.61)
Increase/ (Decrease) in Other non-current liabilities		(248.27)	171.48
Increase/ (Decrease) in current provisions		72.03	1.65
Cash generated from operations		19,125.09	15,092.02
Income tax paid (net)		(2,625.21)	(1,030.83)
Net cash inflow from operating activities		16,499.88	14,061.19
Cash flow from investing activities			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development		(11,971.85)	(11,040.19)
Payments for acquisition of leasehold land		-	(2,193.01)
Proceeds from sale / (payment for purchase) of investments (net)		2,240.82	(1,868.74)
Proceeds from sale of property, plant and equipment		90.14	62.78
Dividend received from joint venture		12.58	28.23
Interest received		480.46	514.71
Net cash (outflow) from investing activities		(9,147.85)	(14,496.22)



(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from financing activities			
Repayment of long term borrowings		(1,335.81)	(1,160.71)
Principal element of lease payment		(41.03)	(90.92)
Increase/(decrease) in supplier's credit		(3,302.98)	2,755.95
Interest paid		(1,170.77)	(676.60)
Dividend paid	10(b)(iii)	(652.36)	(456.65)
Net cash inflow / (outflow) from financing activities		(6,502.95)	371.07
Net increase / (decrease) in cash and cash equivalents		849.08	(63.96)
Cash and cash equivalents at the beginning of the financial year	5(b)(iv)	3,066.62	3,130.58
Cash and cash equivalents at the end of the financial year [refer note 5(b)(iv)]		3,915.70	3,066.62
Cash and cash equivalents as per above comprise of the following:			
Cash on hand	5(b)(iv)	8.38	10.57
Balances with banks - In current accounts	5(b)(iv)	3,907.32	2,556.05
Deposit with original maturity of less than 3 months	5(b)(iv)	-	500.00
Non-cash investing activities:		3,915.70	3,066.62
Acquisition of right-of-use assets		-	88.40

Note: The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Statement of Cash Flows".

The accompanying notes are an integral part of these Standalone Financial Statements

This is the Statement of Cash Flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No.: 057134

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Whole-time Director &
Chief Executive Officer
DIN : 02382912

Place : Gurugram
Date : May 23, 2024

Hemant Kumar Agarwal
Chief Financial Officer &
Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 23, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. Background

Subros Limited (“the Company”) is a public limited company incorporated in 1985 and domiciled in India, listed on the Bombay Stock Exchange (BSE) Limited and the National Stock Exchange of India Limited (NSE). The address of its registered office is LGF, World Trade Centre, Barakhamba Lane, New Delhi – 110001. The Company is the leading manufacturer of thermal products for automotive applications in India, in technical collaboration with Denso Corporation, Japan. The Company is engaged primarily in the business of manufacturing and sale of thermal products for automotive and home air-conditioning original equipment manufacturers. The Company is a joint venture with 36.79% ownership by Suri family of India, 20% ownership by Denso Corporation, Japan & 11.96% ownership by Suzuki Motor Corporation, Japan.

2. Basis of preparation, critical estimates and judgments

2(a). Basis of preparation

(i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on the historical cost convention except for certain items that are measured at fair values, as explained in the accounting policies.

All assets and liabilities have been classified as current or non-current according to the Company's 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 realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

2(b). Critical estimates and judgments

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities on the date of the standalone financial statements and reported amounts of revenues and expenses for the years presented. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the significant effect to the carrying amount of assets and liabilities within the next financial year is included in other notes to the standalone financial statements as mentioned below:

- a. Measurement of employee defined benefit obligations – Refer note 28
- b. Measurement and likelihood of occurrence of provisions and contingencies – Refer note 26
- c. Estimation of provision for warranty – Refer note 12
- d. Estimated useful life of property, plant and equipment and intangible assets – Refer note 3 & 4
- e. Appropriateness of capitalization of internal development costs related to Intangible assets under development – Refer note 4
- f. Impairment of trade receivables – Refer note 5(b)(iii)
- g. Provision for inventory obsolescence – Refer note 8
- h. Recognition of deferred tax assets – Refer note 6



NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

3. Property, plant and equipment and capital work-in-progress

Accounting policy

Freehold land is carried at historical cost. All other property, plant and equipment is recognised at historical cost less depreciation.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in respect of the below mentioned assets where useful life is determined through technical evaluation and is different than those prescribed in schedule II of the Companies Act, 2013.

Plant and machinery : 5-20 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values are not more than 5% of the original cost of the assets. Depreciation methods, useful lives and residual values are reviewed at least at each financial year end.

Refer note 39(xii) and 39(xxii) for the other accounting policies relevant to property, plant and equipment and note 39(viii) for the Company's policy regarding impairment.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Total	Capital work-in-progress (CWIP)
Gross carrying amount								
Balance as at March 31, 2022	4,139.19	21,332.36	59,621.73	530.57	431.35	936.22	86,991.42	2,237.72
Additions	3.19	-	-	32.99	159.82	184.94	380.94	8,146.23
Transfer from CWIP	-	1,001.56	3,803.52	-	-	6.46	4,811.54	(4,811.54)
Disposals / adjustments	-	(7.52)	(968.67)	(12.65)	(54.64)	(128.79)	(1,172.27)	-
Balance as at March 31, 2023	4,142.38	22,326.40	62,456.58	550.91	536.53	998.83	91,011.63	5,572.41
Additions	0.48	-	-	26.96	268.78	301.70	597.92	10,050.19
Transfer from CWIP	-	305.82	11,261.66	0.36	-	1.31	11,569.15	(11,569.15)
Disposals / adjustments (Refer note (v) below)	-	(3.01)	(1,531.74)	(33.02)	(206.28)	(146.20)	(1,920.25)	-
Balance as at March 31, 2024	4,142.86	22,629.21	72,186.50	545.21	599.03	1,155.64	101,258.45	4,053.45
Accumulated depreciation								
As at March 31, 2022	-	3,044.84	25,735.97	241.76	60.08	347.99	29,430.64	-
Depreciation charge during the year	-	708.00	6,376.45	45.60	80.80	213.63	7,424.48	-
Disposals / adjustments	-	(7.15)	(891.39)	(9.61)	(25.05)	(122.86)	(1,056.06)	-
Balance as at March 31, 2023	-	3,745.69	31,221.03	277.75	115.83	438.76	35,799.06	-
Depreciation charge during the year	-	730.53	7,096.05	46.78	90.95	212.51	8,176.82	-
Disposals / adjustments	-	(0.12)	(1,049.23)	(30.54)	(150.99)	(139.30)	(1,370.18)	-
Balance as at March 31, 2024	-	4,476.10	37,267.85	293.99	55.79	511.97	42,605.70	-
Net carrying amount								
As at March 31, 2023	4,142.38	18,580.71	31,235.55	273.16	420.70	560.07	55,212.57	5,572.41
As at March 31, 2024	4,142.86	18,153.11	34,918.65	251.22	543.24	643.67	58,652.75	4,053.45

Notes-

- Depreciation pertaining to machineries used for manufacture of moulds has been capitalized during the year amounting to Rs 55.46 Lakhs (Previous year Rs 39.15 Lakhs).
- Capital work-in-progress mainly comprises of building and plant and machinery.
- Refer note 25 to these Standalone Financial Statements for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- In terms of IND AS - 16 on "Property, plant and equipment", the Company has reviewed the useful lives of property, plant and equipment. On such reviews, it was found that few plant and machinery (mainly comprising of dies, moulds, jigs etc.) had reached the end of their useful lives with no tangible future economic benefits. Accordingly, this has resulted in an incremental depreciation charge amounting to Rs. 392.93 Lakhs during the year ended March 31, 2024 with a consequential impact on "Profit before tax" of an equal amount.
- Includes Rs. 367.51 Lakhs in plant and machinery on account of government grant received. Refer note 11(f).
- The carrying amount of assets pledged as security for non-current borrowings [refer note 11(a)] are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2024	As at March 31, 2023
Non current:			
First charge			
Property, plant and equipment	3	-	32,068.78
Total non-current assets offered as security		-	32,068.78

vii) Capital work-in-progress (CWIP)

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)
As at March 31, 2024

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,929.50	117.34	6.61	-	4,053.45
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2023

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,466.39	106.02	-	-	5,572.41
Projects temporarily suspended	-	-	-	-	-

(b) Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)
As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	460.22	-	-	-	460.22
- Hose & Tubes	36.27	-	-	-	36.27
- Compressor	4.43	-	-	-	4.43
- Condensor	72.00	-	-	-	72.00
Total	572.92	-	-	-	572.92

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	1,961.84	-	-	-	1,961.84
- Hose & Tubes	-	-	-	-	-
- Compressor	63.15	-	-	-	63.15
- Condensor	50.94	-	-	-	50.94
Total	2,075.93	-	-	-	2,075.93

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

viii) Significant estimate

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors such as the stability of the industry and known technological advances.



4. Intangible assets and intangible assets under development

Accounting policy

Technical knowhow

Technical knowhow comprises of costs of acquired technical knowledge from technology partner to develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers.

Product development cost

Product development costs comprises of costs incurred to design and develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers. The costs which can be capitalized include the cost of material, employee payroll costs and other overheads that are directly attributable to prepare the asset for its intended use.

Technical knowhow are capitalized along with product development costs when technical and commercial feasibility of the products developed is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the products and the cost can be measured reliably, in other cases such costs are taken to the Statement of Profit and Loss.

Capitalized technical knowhow and product development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use. Estimated useful lives of intangible assets are as follows:

Technical knowhow	: 8 years
Product development	: 8 years
Software	: 3 years

Amortization methods and useful lives are reviewed periodically including at each financial year end.

Refer note 39(xiii) and 39(xxii) for the other accounting policies relevant to intangible assets and note 39(viii) for the Company's policy regarding impairment.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Softwares	Technical know how	Product Development cost [Refer note (ii)]	Total	Intangible assets under development
Gross carrying amount					
Balance as at March 31, 2022	387.31	13,459.20	20,314.33	34,160.84	3,895.29
Additions	55.39	-	-	55.39	2,881.43
Transfer from intangible assets under development	-	2,081.48	1,568.59	3,650.07	(3,650.07)
Disposals / adjustments	(39.85)	-	-	(39.85)	(96.90)
Balance as at March 31, 2023	402.85	15,540.68	21,882.92	37,826.45	3,029.75
Additions	37.97	-	-	37.97	3,239.04
Transfer from intangible assets under development	1.05	737.11	1,502.36	2,240.52	(2,240.52)
Disposals / adjustments	(0.27)	-	-	(0.27)	(49.48)
Balance as at March 31, 2024	441.60	16,277.79	23,385.28	40,104.67	3,978.79
Accumulated amortization					
As at March 31, 2022	296.31	7,766.18	12,919.81	20,982.30	-
Amortization charge for the year	49.26	1,558.74	1,889.19	3,497.19	-
Disposals / adjustments	(39.77)	-	-	(39.77)	-
Balance as at March 31, 2023	305.80	9,324.92	14,809.00	24,439.72	-
Amortization charge for the year	53.03	1,531.01	1,836.33	3,420.37	-
Disposals / adjustments	(0.27)	-	-	(0.27)	-
Balance as at March 31, 2024	358.56	10,855.93	16,645.33	27,859.82	-
Net carrying amount					
As at March 31, 2023	97.05	6,215.76	7,073.92	13,386.73	3,029.75
As at March 31, 2024	83.04	5,421.86	6,739.95	12,244.85	3,978.79

Notes-

- Amortization pertaining to software used for manufacture of moulds has been capitalized during the year amounting to Rs 1.22 Lakhs (Previous year Rs 1.13 Lakhs).
- Consists of capitalised product development costs being an internally generated intangible asset.
- Intangible assets under development comprises of technical know how and product development cost incurred by the Company.



iv) Intangible assets under development

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,161.79	680.42	794.96	341.62	3,978.79
Projects temporarily suspended	-	-	-	-	-
Total	2,161.79	680.42	794.96	341.62	3,978.79

As at March 31, 2023

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,473.46	1,133.80	287.75	134.74	3,029.75
Projects temporarily suspended	-	-	-	-	-
Total	1,473.46	1,133.80	287.75	134.74	3,029.75

(b) Completion schedule for intangible assets under development whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Air conditioning kit	508.52	-	-	-	508.52
- Heating, ventilation, and air conditioning (HVAC) system	774.12	24.55	-	-	798.67
- Compressor	242.46	-	-	-	242.46
- Hose & Tubes	-	-	-	-	-
- Condensor	90.95	492.08	-	-	583.03
- Radiator	-	-	-	-	-
- Rear air conditioning system	-	-	-	-	-
Total	1,616.05	516.63	-	-	2,132.68

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Air conditioning kit	544.81	-	-	-	544.81
- Heating, ventilation, and air conditioning (HVAC) system	661.17	15.27	-	-	676.44
- Compressor	60.40	8.90	-	-	69.30
- Hose & Tubes	65.43	-	-	-	65.43
- Condensor	567.83	-	-	-	567.83
- Radiator	295.05	-	-	-	295.05
- Rear air conditioning system	5.96	-	33.33	-	39.29
Total	2,200.65	24.17	33.33	-	2,258.15

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

Significant estimates:**A. Appropriateness of capitalization of internal development costs related to Intangible assets under development**

In relation to capitalisation of internal development costs in relation to intangible assets under development, significant judgement has been made by the management in the determination of –

- whether the costs incurred is towards development of product or in the nature of research,
- the costs, including payroll costs, were directly attributable to relevant projects, and
- key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalised.

B. Estimated useful life of intangible assets

The estimated useful lives of intangible assets are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) to obtain the expected future cash flows from the asset.



5(a). Non-current investments - Investment in joint venture*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in equity instruments (fully paid- up)		
Unquoted		
Investment in joint venture (carried at cost)		
Denso Subros Thermal Engineering Centre India Private Limited	176.80	176.80
1,767,999 (March 31, 2023: 1,767,999) Fully paid up equity shares of Rs. 10 each		
Total investments	176.80	176.80
Aggregate value of unquoted investments	176.80	176.80
Aggregate amount of impairment in the value of investments	-	-

5(b). Financial assets**Accounting policies****(i) Classification of financial assets at amortised cost**

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, loans, bank deposits and security deposits.

(ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities (listed and unlisted) which are not held for trading, and for which the company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. There are currently no equity securities which are carried at FVOCI.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets. There are currently no debt securities which are carried at FVOCI.

(iii) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVTPL):

- investment in mutual funds and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Derivatives

The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in Statement of Profit and Loss immediately.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Refer note 39(xi) for the remaining relevant accounting policies.

5(b)(i). Non-current investments - Investment in equity instruments*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in equity instruments (at fair value through profit or loss)		
Unquoted (fully paid- up)		
Amplus Green Power Private Limited	299.98	299.98
1,719,061 (March 31, 2023: 1,719,061) Fully paid up equity shares of Rs. 17.45 each		
Total investments	299.98	299.98
Aggregate value of unquoted investments	299.98	299.98
Aggregate amount of impairment in the value of investments	-	-

5(b)(ii). Current investments - Investment in mutual funds*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in mutual fund (at fair value through profit or loss)		
Unquoted		
Nil (March 31, 2023: 1,661,907.84) units of Nippon India Overnight Fund - Direct Growth Plan	-	2,000.00
Total investments	-	2,000.00
Aggregate value of unquoted investments	-	2,000.00
Aggregate amount of impairment in the value of investments	-	-

5(b)(iii). Trade receivables**Accounting policy**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Refer note 22(b) for a description of the Company's impairment policies.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables from contract with customers - billed	24,216.16	16,249.87
Trade receivables from contract with customers - unbilled*	3,849.37	4,703.06
Receivables from related parties (Refer note 24)	350.93	4.52
Less: Loss allowance	(97.99)	(152.87)
Total trade receivables	28,318.47	20,804.58
Current portion	28,318.47	20,804.58
Non-current portion	-	-

* The receivable is unbilled because Company has not yet issued an invoice, however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Breakup of security details*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	28,358.18	20,838.44
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	58.28	119.01
Total	28,416.46	20,957.45
Loss allowance	(97.99)	(152.87)
Total trade receivables	28,318.47	20,804.58

Ageing of Trade receivables as on March 31, 2024*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
- considered good	3,849.37	23,233.18	1,167.86	76.12	24.80	3.84	3.01	28,358.18
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
- considered good	-	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	58.28	58.28
Total	3,849.37	23,233.18	1,167.86	76.12	24.80	3.84	61.29	28,416.46



Ageing of Trade receivables as on March 31, 2023

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
– considered good	4,703.06	13,967.67	2,044.08	85.34	19.81	4.82	13.66	20,838.44
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	119.01	119.01
Total	4,703.06	13,967.67	2,044.08	85.34	19.81	4.82	132.67	20,957.45

5(b)(iv). Cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- In current accounts	3,907.32	2,556.05
Cash on hand	8.38	10.57
Deposit with original maturity of less than 3 months	-	500.00
Total cash and cash equivalents	3,915.70	3,066.62

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

5(b)(v). Bank balances other than cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with banks		
Unpaid dividend account	19.42	22.63
Others		
Deposits with original maturity of more than three months but less than 12 months	8,300.00	5,750.00
Total bank balances other than cash and cash equivalents	8,319.42	5,772.63

5(b)(vi). Loans

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Loans to employees	65.48	11.81	66.24	17.02
Total loans	65.48	11.81	66.24	17.02

Breakup of security details

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	77.29	83.26
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	77.29	83.26
Loss allowance	-	-
Total loans	77.29	83.26

5(b)(vii). Other financial assets

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Security deposits				
Related parties (refer note 24)	-	263.46	-	263.46
Others	13.27	700.65	108.49	663.90
Deposits with maturity of more than 12 months	-	-	-	2,500.00
Interest accrued on bank deposits	309.73	-	82.74	32.63
Total other financial assets	323.00	964.11	191.23	3,459.99

6. Tax expense

a) Income tax expense in the Statement of Profit and Loss comprises:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Tax expense		
Current tax		
Current tax on profits for the year	2,506.02	1,244.80
Adjustments for current tax of prior periods	0.94	(27.09)
Total current tax expense	2,506.96	1,217.71
Deferred tax		
Minimum Alternate Tax (MAT) credit utilisation	2,736.87	1,688.65
Decrease / (increase) in deferred tax assets	242.62	108.75
(Decrease) / increase in deferred tax liabilities	(1,182.62)	(722.16)
Total deferred tax expense / (benefit)	1,796.87	1,075.24
Total tax expense / (credit)	4,303.83	2,292.95

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax	14,070.12	7,101.51
Computed tax expense at applicable tax rate of 34.944% (previous year 34.944%)	4,916.66	2,481.55
Tax effect of :		
Tax effects of the amounts which are not deductible in calculating taxable income	50.82	52.65
Adjustment on account of remeasurement (Refer note 2 below)	(664.59)	(214.16)
Income tax provision reversal of prior year	0.94	(27.09)
Tax expense recognized in Statement of Profit and Loss	4,303.83	2,292.95

The tax impact of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Opening balance	Recognized in Profit or loss- Credit/(charge)	Recognized in Other Comprehensive Income -Credit/ (charge)	Closing Balance
2022-23				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	8,625.11	413.12	-	8,211.99
Right-of-use assets	169.76	94.88	-	74.88
Adjustment on account of remeasurement (net) (Refer note 2 below)	(1,126.88)	214.16	-	(1,341.04)
Total deferred tax liability(A)	7,667.99	722.16	-	6,945.83
Deferred tax assets in relation to:				
Expenses deductible in future years	524.35	(7.86)	-	516.49
Lease liabilities	285.11	(100.89)	-	184.22
Remeasurement of post employment benefit obligations	145.67	-	(8.06)	137.61
Total deferred tax assets (B)	955.13	(108.75)	(8.06)	838.32
Deferred tax liability(net) (C) = (A) - (B)	6,712.86	613.41	(8.06)	6,107.51
Minimum alternate tax credit (D)	4,425.52	(1,688.65)	-	2,736.87
Deferred tax liabilities/(assets) (net) (C) -(D)	2,287.34	(1,075.24)	(8.06)	3,370.64
2023-24				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	8,211.99	2,457.48	-	5,754.51
Right-of-use assets	74.88	66.18	-	8.70
Adjustment on account of remeasurement (net) (Refer note 2 below)	(1,341.04)	(1,341.04)	-	-
Total deferred tax liability (A)	6,945.83	1,182.62	-	5,763.21



Deferred tax assets in relation to:				
Expenses deductible in future years	516.49	(180.75)	-	335.74
Lease liabilities	184.22	(61.87)	-	122.35
Remeasurement of post employment benefit obligations	137.61	-	81.32	218.93
Total deferred tax assets (B)	838.32	(242.62)	81.32	677.02
Deferred tax liability(asset) (C) = (A) - (B)	6,107.51	940.00	81.32	5,086.19
Minimum alternate tax credit (D)	2,736.87	(2,736.87)	-	-
Deferred tax liabilities/(assets) (net) (C) -(D)	3,370.64	(1,796.87)	81.32	5,086.19

Note

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

2. In financial year (FY) 2019-20, the tax laws were amended, providing an option to pay tax at 22% plus applicable surcharge and cess ("New Rate") effective April 1, 2019, with a condition to surrender specified deductions / incentives.

During the FY 2023-24, the Company has utilized the entire Minimum Alternate Tax credit balance and will opt for the New Rate from FY 2024-25. The Company re-measured its deferred tax balances accordingly with an impact (deferred tax credit) of Rs. 664.59 Lakhs for the year ended March 31, 2024 (March 31, 2023: Rs. 214.16 Lakhs).

Significant estimate:

The deferred tax asset mainly comprises of Minimum Alternate Tax (MAT) credit which can be carried forward for a period of 15 years as per the provisions of the Income Tax Act, 1961. The Company has been consistently earning profits and is currently liable to pay Income Tax under normal provisions of Income Tax Act, 1961. As at March 31, 2023, the Company had concluded that the MAT credit will be recoverable using the estimated future taxable income based on the approved business plans and budgets. As at March 31, 2024, the MAT credit has been utilised.

7. Other assets

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Capital advances	-	179.50	-	705.84
Advance to suppliers				
-Related party (refer note 24)	0.56	-	0.55	-
-Others	752.07	-	1,087.72	-
Prepaid expenses	719.29	-	626.39	-
Recoverable from statutory authorities	794.38	-	986.37	-
Total other assets	2,266.30	179.50	2,701.03	705.84

8. Inventories

Accounting policy

Assigning costs to inventories

The costs of individual items of inventory are determined on a weighted average cost basis.

Refer note 39(x) for the other accounting policies relevant to inventories.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw material and spares *	28,585.62	26,380.50
Work-in progress	4,808.46	3,706.09
Finished goods	968.74	938.31
Stores	3,142.78	2,839.57
Total Inventories	37,505.60	33,864.47

* Net of provision for inventory obsolescence amounting to Rs. 431.19 Lakhs as at March 31, 2024 (March 31, 2023: Rs. 581.89 Lakhs). An amount of Rs. 150.70 lakhs has been written back during the year ended March 31, 2024 (Rs. 153.55 lakhs has been provided during the year ended March 31, 2023) and included in 'cost of material consumed' in Statement of Profit and Loss.

Inventory includes in transit inventory of:-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw material and spares	3,166.70	3,885.60
Finished goods	396.55	426.10

Significant estimate:

The provision for inventory obsolescence is based on assumptions about usability / saleability of inventory. The Company reviews the provision for inventory obsolescence at the end of each reporting period.

9. Non-current tax assets (net)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax (net of provisions - March 31, 2024: Rs 9,664.76 Lakhs; March 31, 2023: Rs 9,664.76 Lakhs)	211.71	241.55
Total non-current tax assets	211.71	241.55



10. Equity**10(a). Equity share capital***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Authorized share capital		
125,000,000 (as at March 31, 2023 : 125,000,000) equity shares of Rs. 2 each	2,500.00	2,500.00
Issued share capital		
65,241,450 (as at March 31, 2023 : 65,241,450) equity shares of Rs. 2 each	1,304.83	1,304.83
Subscribed and paid up share capital		
65,235,750 (as at March 31, 2023 : 65,235,750) equity shares of Rs. 2 each, fully paid up	1,304.71	1,304.71
Total	1,304.71	1,304.71

A. Reconciliation of the shares outstanding at the beginning and at the end of the year*(All amounts in Rs. Lakhs, unless otherwise stated)*

Equity shares	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	65,235,750	1,304.71	65,235,750	1,304.71
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	65,235,750	1,304.71	65,235,750	1,304.71

B. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

C. Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
Deeksha Holding Limited	10,137,760	15.54%	10,137,760	15.54%
Jyotsna Holding Private Limited	3,448,000	5.28%	3,448,000	5.28%
R R Holdings Private Limited	3,208,000	4.92%	3,208,000	4.92%
Shradha Suri	5,587,040	8.57%	5,587,040	8.57%
Denso Corporation	13,047,150	20.00%	13,047,150	20.00%
Suzuki Motor Corporation	7,800,000	11.96%	7,800,000	11.96%

D. Details of shareholding of promoters:

Name of the promoter	As at March 31, 2024			As at March 31, 2023		
	Number of shares	% total shares	% Change during the year	Number of shares	% total shares	% Change during the year
Shradha Suri	5,587,040	8.57%	0.00%	5,587,040	8.57%	0.00%
Deeksha Holding Limited	10,137,760	15.54%	0.00%	10,137,760	15.54%	0.00%
Jyotsna Holding Private Limited	3,448,000	5.28%	0.00%	3,448,000	5.28%	0.00%
R.R. Holdings Private Limited	3,208,000	4.92%	0.00%	3,208,000	4.92%	0.00%
JS Family Trust	1,619,200	2.48%	0.00%	1,619,200	2.48%	100.00%
Jyotsna Suri	-	0.00%	-	-	0.00%	-100.00%

10(b). Other equity**Reserves and surplus***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	20,817.44	20,817.44
General reserve	12,875.48	12,725.48
Retained earnings	60,586.97	51,864.85
Total other equity	94,279.89	85,407.77



i) Securities premium*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	20,817.44	20,817.44
Issue of equity shares	-	-
Closing balance	20,817.44	20,817.44

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

ii) General reserve*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	12,725.48	12,575.48
Transfer from retained earnings	150.00	150.00
Closing balance	12,875.48	12,725.48

General reserve is the retained earnings of a Company which is kept aside out of the Company's profits to meet future (known or unknown) obligations.

iii) Retained earnings*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	51,864.85	47,647.95
Add: Profit for the year	9,766.29	4,808.56
Less: Remeasurement gain / (loss) on post employment benefit obligation, net of tax	(241.81)	14.99
Less: Appropriations		
Transfer to general reserve	(150.00)	(150.00)
Dividend on equity shares	(652.36)	(456.65)
Closing balance	60,586.97	51,864.85

During the year, a dividend of Rs. 1 per share, total dividend Rs. 652.36 Lakhs (previous year: Rs. 0.70 per share, total dividend Rs. 456.65 Lakhs) was paid to equity shareholders.

The Board of Directors recommended a final dividend of Rs. 1.8 per share (nominal value of Rs. 2 per share) for the financial year 2023-24 (March 31, 2023: Rs. 1 per share for the financial year 2022-23). This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Standalone Financial Statements. The total estimated dividend to be paid is Rs. 1,174.24 Lakhs (March 31, 2023: Rs. 652.36 Lakhs).

11. Financial liabilities**11(a). Non-current borrowings***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term loans		
Indian Rupee loans from banks	-	1,339.51
Total Non-current borrowings	-	1,339.51
Less: Current maturities of long term debt [included in note 11(b)]	-	867.06
Less: Interest accrued [included in note 11(b)]	-	3.70
Non-current borrowings	-	468.75

Borrowings	Security (Refer note below)	As at March 31, 2024	As at March 31, 2023	Maturity date	Terms of repayment	Coupon/ Interest rate
Indian Rupee loans from banks						
Loan 1	First charge on movable fixed assets other than exclusive charge created over specific movable fixed assets for other loans	-	495.54	Not applicable (March 31, 2023: August, 2023)	Not applicable (March 31, 2023: Fourteen quarterly equal instalments commencing from November, 2019)	Not applicable (March 31, 2023 : REPO + 200 bps)
Loan 2	Exclusive charge over specific movable fixed assets	-	843.97	Not applicable (March 31, 2023: June, 2025)	Not applicable (March 31, 2023: Sixteen quarterly equal instalments commencing from September, 2021)	Not applicable (March 31, 2023 : 3 Month MIBOR)
Total		-	1,339.51			

Note: Refer note 3(vi) for carrying amount of assets pledged as security.



11(b). Current borrowings*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
From banks		
Current maturities of long term debt*	-	870.76
Total current borrowings	-	870.76

* Includes interest accrued on long-term borrowings.

Note: The Company has sanctioned working capital limits which have not been availed as at March 31, 2024 and March 31, 2023. (Refer note 22(b) for undrawn banking facilities).

The sanctioned working capital limits are secured against current assets of the Company, both present and future. The carrying amount of current assets pledged as security are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2024	As at March 31, 2023
Current:			
First Charge			
Inventories	8	37,505.60	33,864.47
Financial assets			
- Trade receivables	5(b)(iii)	28,318.47	20,804.58
- Cash and cash equivalents	5(b)(iv)	3,915.70	3,066.62
- Other bank balances	5(b)(v)	8,300.00	5,750.00
- Loans	5(b)(vi)	65.48	66.24
- Other financial assets	5(b)(vii)	323.00	191.23
Other current assets	7	2,266.30	2,701.03
Total current assets offered as security		80,694.55	66,444.17

11(c). Other financial liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Capital creditors*	1,375.60	422.34
Interest accrued	9.82	9.67
Security deposit received		
-Related party (refer note 24)	6.14	6.14
-Others	50.99	47.99
Unclaimed dividend**	19.42	22.63
Derivative liability	226.95	32.15
Others		
Due to directors (refer note 24)	301.55	152.73
Payable to employees	2,708.10	1,427.89
Total	4,698.57	2,121.54

* Includes Rs. 104.31 Lakhs (March 31, 2023: Rs. 104.06 Lakhs) payable to related parties. Refer note 24.

** The Company has deposited an amount of Rs. 4.93 Lakhs (Previous year Rs. 4.42 Lakhs) during the year in Investor Education and Protection Fund. Further, no amount is pending for deposition in Investor Education and Protection Fund.

11(d). Trade payables*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Trade payables: micro and small enterprises (refer Note 36)	79.53	118.42
Trade payables: others	40,958.45	46,852.18
Trade payables to related parties (refer note 24)	9,399.52	1,900.97
Total	50,437.50	48,871.57



Ageing of trade payables as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	1.55	77.98	-	-	-	-	79.53
- Others	5,775.73	39,050.13	5,451.21	61.97	12.34	6.59	50,357.97
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	5,777.28	39,128.11	5,451.21	61.97	12.34	6.59	50,437.50

Ageing of trade payables as at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	9.00	109.20	0.19	0.03	-	-	118.42
- Others	5,312.80	35,278.21	8,089.28	46.07	23.86	2.93	48,753.15
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	5,321.80	35,387.41	8,089.47	46.10	23.86	2.93	48,871.57

11 (e). Current tax liabilities

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	237.76	-
Current tax payable for the year	2,506.02	1,244.80
Less:- Taxes paid	2,654.11	1,007.04
Closing balance	89.67	237.76

11(f). Other non-current liabilities

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Government grants		
Opening balance	248.27	76.79
Grants during the year	379.21	171.48
Less: Released to profit or loss (Refer note 15)	(259.97)	-
Less: Adjusted from the cost of the related assets (Refer note 3)	(367.51)	-
Closing balance	-	248.27
Current portion	-	-
Non-current portion	-	248.27

Note: This pertains to government grant received from Ozone Cell, Ministry of Environment, Forest and Climate Change, Government of India related to 'India HCFC Phase-out Management Plan Stage II' at Nalagarh plant. The conditions relating to the grant required the Company to invest in acquisition of property, plant and equipment under the scheme and also incur incremental operating costs to phase out the consumption of HCFCs (Hydrochlorofluorocarbons). These conditions have been complied with during the year ended March 31, 2024.

Accordingly, part of the grant received has been netted off from cost of property, plant and equipment included in plant and machinery amounting to Rs 367.51 Lakhs and an amount of Rs. 52.61 Lakhs received has been recognized in Other income (Refer note 15) as it relates to cost of property, plant and equipment already depreciated and costs expensed off in the Statement of Profit and Loss in earlier years.

Further, an amount of Rs 207.36 Lakhs has been received during the year ended March 31, 2024 as a part of the aforesaid grant pertaining to compensation for incremental operating costs incurred for reduction of consumption of HCFCs and recognized in Other income (Refer note 15).

The Company has also benefited from other forms of government assistance as mentioned in note 15 & 18.

11(g). Supplier's credit*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Supplier's credit	2,971.60	6,274.58
Total	2,971.60	6,274.58

Note: Supplier's credit represents the arrangement where suppliers of goods and services are initially paid by Receivables Exchange of India/ bank and settlement with the Receivables Exchange of India/bank are normally effected within a period of 90 days.

12. Provisions*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non- Current	Current	Non- Current
Provision for employee benefits:				
Provision for leave encashment (refer note 28)	389.83	-	325.26	-
Provision for gratuity (refer note 28)	-	1,177.70	-	881.49
Provision for warranty	263.19	175.46	255.73	170.49
Total	653.02	1,353.16	580.99	1,051.98

i) Information about individual provisions and critical estimates**Provision for employee benefits:**

The provision for employee benefits include leave encashment and gratuity (refer note 28 and 39(xviii)).

Provision for warranty:

Significant estimate: Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. The Company generally offers 24 months warranties for its products. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

ii) Movement in provision for warranty*(All amounts in Rs. Lakhs, unless otherwise stated)*

For the year ended March 31, 2023	
Balance as at April 1, 2022	414.65
Charged/(credited) to profit or loss	
Additional provisions recognized	169.13
Unwinding of discount on provision for warranty	8.48
Discounting of additional provision recognized	(8.98)
Amounts utilized during the year	(157.06)
Balance as at March 31, 2023	426.22
For the year ended March 31, 2024	
Balance as at April 1, 2023	426.22
Charged/(credited) to profit or loss	
Additional provisions recognized	249.14
Unwinding of discount on provision for warranty	10.68
Discounting of additional provision recognized	(11.18)
Amounts utilized during the year	(236.21)
Balance as at March 31, 2024	438.65

Sensitivity analysis

As at March 31, 2024, provision for warranty had a carrying amount of Rs. 438.65 Lakhs (March 31, 2023: Rs. 426.22 Lakhs). Were warranty claim costs to differ by 10% of the management's estimates, the provision would be an estimated Rs. 43.87 Lakhs higher or lower (March 31, 2023: Rs. 42.62 Lakhs higher or lower).

13 (a). Contract liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liabilities	809.66	838.35
Total	809.66	838.35

Notes:

- Contract liabilities represent payments received from the customers in excess of the goods sold by the Company.
- During the year ended March 31, 2024, the Company recognised revenue of Rs. 433.71 Lakhs arising from opening contract liabilities as of April 01, 2023. During the previous year, the Company recognised revenue of Rs. 2,333.18 Lakhs arising from opening contract liabilities as at April 01, 2022.



13 (b). Other current liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	2,926.85	2,114.04
Total	2,926.85	2,114.04

14. Revenue from operations**Accounting policy****a) Sale of goods**

The Company manufactures and sells thermal products for automotive and home air-conditioning original equipment manufacturers. Revenue from sale of goods is recognized when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the customer location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The goods are sold to after-market customers with rebates / discounts based on sales targets over a 12 months period. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated rebates / discounts. Accumulated experience is used to estimate and provide for the rebates / discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are made with credit terms, which vary from 30 days to 60 days, which is consistent with market practice. The Company's obligation to repair or replace faulty products under the standard warranty terms is recognized as a provision, see note 12.

A receivable is recognized when the goods are delivered and accepted by the Customer as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract liability is recognized where payments received from the customers exceed the goods sold by the Company.

b) Sale of services

Income from services rendered is recognized based on agreements/arrangements with the customers on the performance of service. Revenue from services is recognized in the accounting period in which the services are rendered. Revenue is recognised to the amount to which the Company has a right to invoice.

If the services rendered by the Company exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

c) Financing component

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with customers		
- Sale of products	305,941.63	279,513.26
- Sale of services	147.30	467.24
Other operating revenues		
- Sale of scrap	968.13	647.67
Total	307,057.06	280,628.17

Note 1: Unsatisfied contracts:

The following table shows unsatisfied performance obligation resulting from contracts:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at reporting date	809.66	838.35

Management expects that transaction price allocated to unsatisfied contracts as of March 31, 2024 will be recognized as revenue during the next reporting period.



Note 2: Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract Price	308,217.89	282,243.98
Adjustments for:		
- Rebate/discounts	(1,160.83)	(1,615.81)
Revenue from Operations	307,057.06	280,628.17

Note 3: The Company has disaggregated revenue from contracts with customers based on nature of revenue i.e. sale of products and sale of services. The Company does not have reportable segment. Refer note 23.

Note 4: The Company derives revenue from transfer of goods and services at a point of time after acceptance from customers.

Note 5: No significant judgements have been made by the Company in applying Ind AS 115 that significantly affect the determination of the amount and timing of revenue from contracts with customers.

15. Other income

Accounting policy

Government grants

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented as net of the related expense.

Government grants relating to the purchase of property, plant and equipment are deducted from the cost of the related assets in arriving at the carrying value of the assets.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on:		
a) Financial assets at amortized cost	646.17	391.71
b) Others	28.65	138.40
Exchange variation on foreign currency transactions (net)	314.08	144.11
Fair value changes on derivatives	(194.80)	367.39
Unwinding of discount on financial asset	6.07	6.36
Rental income	76.99	73.76
Dividend income from investment in joint venture	12.58	28.23
Net gain on sale of investments	240.82	131.26
Government grant (Refer note 11(f))	259.97	-
Refund of electricity duty*	-	685.46
Other miscellaneous income	76.58	90.28
Total	1,467.11	2,056.96

* During the previous year ended March 31, 2023, the Company had received a refund of electricity duty amounting to Rs. 685.46 Lakhs for the period February 2010 to January 2020 from Pashchimanchal Vidyut Vitran Nigam Limited, Uttar Pradesh issued vide order dated January 30, 2023 issued by High Court of Allahabad for writ petition filed by the Company in order to receive the same under The Industrial and Service Sector Investment Policy 2004 read with notification no. 276/24-P-3-2018 dated February 5, 2018 issued by Government of Uttar Pradesh. There were no unfulfilled conditions or other contingencies attached to this refund. The Company has also benefited from other forms of government assistance as mentioned in note 11(f) & 18.

16. Cost of material consumed

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material and spares		
Raw material and spares at the beginning of the year	26,380.50	23,075.66
Add: Purchase of raw material and spares	230,065.17	217,095.63
Less: Raw material and spares at the end of the year	28,585.62	26,380.50
Total	227,860.05	213,790.79

Refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.



17. Changes in inventories of finished goods and work in progress*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finished goods		
Closing balance	968.74	938.31
Less:- Opening balance	938.31	852.38
	30.43	85.93
Work-in-progress		
Closing balance	4,808.46	3,706.09
Less:- Opening balance	3,706.09	5,033.74
	1,102.37	(1,327.65)
(Increase) / decrease	(1,132.80)	1,241.72

18. Employee benefits expense*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus*	24,425.48	21,391.61
Contribution to provident and other funds (refer note 28)**	1,087.52	952.45
Gratuity (refer note 28)	304.36	258.29
Staff welfare expenses	2,591.78	2,170.11
Total	28,409.14	24,772.46

Note:

(i) Government grants

* Net of government grants related to refund of 50% of minimum stipend prescribed by Board of Apprenticeship Training (Northern Region) amounting to Rs. 152.16 Lakhs (March 31, 2023: Rs. 280.63 Lakhs).

** Net of government grants related to payment of employer's contribution towards Employees Provident Fund and Employees Pension Scheme for the new employment, paid by government of India under the Pradhan Mantri Rojgar Protsahan Yojana amounting to Rs. 7.38 Lakhs (March 31, 2023: Rs. 25.37 Lakhs).

There are no unfulfilled conditions or other contingencies attached to these grants. The Company did not benefit directly from any other forms of government assistance except as disclosed in Note 11(f) & 15.

(ii) Refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.

19. Finance costs*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest costs:		
- Loans from banks	481.52	194.22
- Other financing arrangements	381.76	179.14
Exchange differences regarded as an adjustment to borrowing costs	233.45	233.79
Interest on lease liabilities (refer note 27)	45.10	62.08
Other finance costs	25.39	8.48
Total	1,167.22	677.71

20. Depreciation and amortization expense*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	8,121.36	7,385.33
Depreciation of right-of-use assets (refer note 27)	110.20	146.68
Amortization of intangible assets (refer note 4)	3,419.15	3,496.06
Total	11,650.71	11,028.07

Also refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.



21. Other expenses*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores	5,548.50	5,465.93
Power and fuel	3,832.32	3,627.73
Rent (refer note 27)	329.20	346.83
Repair and maintenance: Building	497.80	518.49
Repair and maintenance: Plant and machinery	2,347.12	2,076.77
Repair and maintenance: Others	495.32	410.55
Rates, taxes and fees	63.13	34.17
Insurance	614.64	608.51
Royalty	4,153.67	3,333.12
Warranty expenses	237.96	160.15
Selling and distribution expenses	4,781.20	4,300.78
Legal and professional charges	405.57	399.99
Vehicle running and maintenance	152.54	145.47
Travelling and conveyance	709.12	576.20
Payment to auditors [refer note 21(a) below]	64.31	56.73
Net loss on disposal of property, plant and equipment	92.42	53.51
Corporate social responsibility expenses [refer note 21(b) below]	120.01	150.66
Director's sitting fees	59.55	58.55
Other miscellaneous expenses	1,995.35	1,748.73
Total	26,499.73	24,072.87

Also refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.

21(a). Details of payment to auditors*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Payment to auditors*		
As auditor:		
Audit fees (including limited review)	50.50	50.50
Tax audit fee	1.50	1.50
Certification fee	6.00	1.00
Reimbursement of expenses	6.31	3.73
Total	64.31	56.73

* Excluding applicable taxes

22. Financial instruments and risk management**22(a). Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2024 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investment	-	299.98	-	299.98
ii) Trade receivables	-	-	28,318.47	28,318.47
iii) Cash and cash equivalents	-	-	3,915.70	3,915.70
iv) Bank balance other than cash and cash equivalents	-	-	8,319.42	8,319.42
v) Loans	-	-	77.29	77.29
vi) Other financial assets	-	-	1,287.11	1,287.11
Total financial assets	-	299.98	41,917.99	42,217.97
Financial liabilities				
i) Borrowings	-	-	-	-
ii) Supplier's credit	-	-	2,971.60	2,971.60
iii) Trade payables	-	-	50,437.50	50,437.50
iv) Other financial liabilities	-	226.95	4,471.62	4,698.57
Total financial liabilities	-	226.95	57,880.72	58,107.67



The carrying value and fair value of financial instruments by categories as of March 31, 2023 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investment	-	2,299.98	-	2,299.98
ii) Trade receivables	-	-	20,804.58	20,804.58
iii) Cash and cash equivalents	-	-	3,066.62	3,066.62
iv) Bank balance other than cash and cash equivalents	-	-	5,772.63	5,772.63
v) Loans	-	-	83.26	83.26
vi) Other financial assets	-	-	3,651.22	3,651.22
Total financial assets	-	2,299.98	33,378.31	35,678.29
Financial liabilities				
i) Borrowings	-	-	1,339.51	1,339.51
ii) Supplier's credit	-	-	6,274.58	6,274.58
iii) Trade payables	-	-	48,871.57	48,871.57
iv) Other financial liabilities	-	32.15	2,089.39	2,121.54
Total financial liabilities	-	32.15	58,575.05	58,607.20

The following tables provides an analysis of financial assets and liabilities that are measured at fair value - recurring fair value measurements, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			Total
		Level 1	Level 2	Level 3	
Financial assets					
Investment	5(b)(i) & (ii)	-	-	299.98	299.98
Total financial assets		-	-	299.98	299.98
Financial liabilities					
Derivative liability	11(c)	-	226.95	-	226.95
Total financial liabilities		-	226.95	-	226.95

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2023			Total
		Level 1	Level 2	Level 3	
Financial assets					
Investment	5(b)(i) & (ii)	2,000.00	-	299.98	2,299.98
Total financial assets		2,000.00	-	299.98	2,299.98
Financial liabilities					
Derivative liability	11(c)	-	32.15	-	32.15
Total financial liabilities		-	32.15	-	32.15

The following tables provides an analysis of financial assets and liabilities that are measured at amortized cost for which fair values are disclosed, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			Total
		Level 1	Level 2	Level 3	
Financial assets					
Security deposits	5(b)(vii)	-	-	977.38	977.38
Loans to employees	5(b)(vi)	-	-	77.29	77.29
Trade receivables	5(b)(iii)	-	-	28,318.47	28,318.47
Cash and cash equivalents	5(b)(iv)	-	-	3,915.70	3,915.70
Deposits with original maturity of more than three months but less than 12 months	5(b)(v)	-	-	8,300.00	8,300.00
Deposits with maturity of more than 12 months	5(b)(vii)	-	-	-	-
Unpaid dividend account	5(b)(v)	-	-	19.42	19.42
Interest accrued on bank deposits	5(b)(vii)	-	-	309.73	309.73
Total financial assets		-	-	41,917.99	41,917.99

Particulars	Notes No.	As at March 31, 2024			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
Borrowings	11(a) & 11(b)	-	-	-	-
Supplier's credit	11(g)	-	-	2,971.60	2,971.60
Trade payables	11(d)	-	-	50,437.50	50,437.50
Capital creditors	11(c)	-	-	1,375.60	1,375.60
Interest accrued	11(c)	-	-	9.82	9.82
Security deposit received	11(c)	-	-	57.13	57.13
Unclaimed dividend	11(c)	-	-	19.42	19.42
Others					
Due to directors	11(c)	-	-	301.55	301.55
Payable to employees	11(c)	-	-	2,708.10	2,708.10
Total financial liabilities		-	-	57,880.72	57,880.72

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2023			
		Level 1	Level 2	Level 3	Total
Financial assets					
Security deposits	5(b)(vii)	-	-	1,035.85	1,035.85
Loans to employees	5(b)(vi)	-	-	83.26	83.26
Trade receivables	5(b)(iii)	-	-	20,804.58	20,804.58
Cash and cash equivalents	5(b)(iv)	-	-	3,066.62	3,066.62
Deposits with original maturity of more than three months but less than 12 months	5(b)(v)	-	-	5,750.00	5,750.00
Deposits with maturity of more than 12 months	5(b)(vii)	-	-	2,500.00	2,500.00
Unpaid dividend account	5(b)(v)	-	-	22.63	22.63
Interest accrued on bank deposits	5(b)(vii)	-	-	115.37	115.37
Total financial assets		-	-	33,378.31	33,378.31
Financial liabilities					
Borrowings	11(a) & 11(b)	-	-	1,339.51	1,339.51
Supplier's credit	11(g)	-	-	6,274.58	6,274.58
Trade payables	11(d)	-	-	48,871.57	48,871.57
Capital creditors	11(c)	-	-	422.34	422.34
Interest accrued	11(c)	-	-	9.67	9.67
Security deposit received	11(c)	-	-	54.13	54.13
Unclaimed dividend	11(c)	-	-	22.63	22.63
Others					
Due to directors	11(c)	-	-	152.73	152.73
Payable to employees	11(c)	-	-	1,427.89	1,427.89
Total financial liabilities		-	-	58,575.05	58,575.05

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in the active market. This includes listed equity instruments that have quoted price and open ended mutual funds that have NAV (Net Assets Value) price available in the active market. The fair value of all equity instruments and mutual funds which are traded in the stock exchanges and open market, respectively, is valued using the closing price as at the reporting period end.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There has been no transfer between level 1, level 2 and level 3 for the years ended March 31, 2024 and March 31, 2023.

Valuation technique used to determine fair value : The Company has entered into variety of foreign currency forward contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data. Further, Investment in equity shares included in Level 3 of the fair value hierarchy have been valued using the income approach to arrive at their fair value. In this approach the discounted cash flow method is used to capture



the present value of the expected future economic benefits to be derived from the ownership of this investment.

All short term financial assets and liabilities like trade receivables, cash and cash equivalents, deposit with banks, trade payables, supplier's credit, capital creditors, security deposit received, payable to employees are stated at amortized cost which is approximately equal to their fair value.

The fair value of borrowings is estimated by discounting expected future cash flows, using a discount rate equivalent to the risk-free rate of return, adjusted for the credit spread considered by the lenders for instruments of similar maturity.

The fair value of loans to employees and security deposits are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

22(b). Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimize operating, financial and strategic risks. The note explains the sources of risk which the entity is exposed to and how the entity manages the risks :

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, deposits with banks, trade receivables, derivative financial instruments, other financial assets measured at amortized cost.	Ageing analysis, credit rating	Diversification of bank deposits, factoring of trade receivables, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

Credit risk

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

For banks and financial institutions, only high rated banks/institutions are accepted. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian banks. In long term credit ratings, these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers and Air-conditioner manufacturer (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of payment due dates is closely monitored on an on-going basis for all customers, thereby practically eliminating the risk of default.

A default on a financial asset is when the counterparty, fails to make contractual payments within the agreed number of days of when they fall due. This definition is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company's historical experience of collecting receivables, supported by the level of default, is that credit risk is low. All customer balances which are overdue for more than 180 days are evaluated for provisioning and considered for impairment on an individual basis. The customer balances are written-off as bad debts, when legal remedies available to the Company are exhausted and / or it becomes certain that said balances will not be recovered.

Reconciliation of loss allowance - Trade receivables:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loss allowance at the beginning of the year	152.87	151.28
Add / (Less): Changes during the year	(54.88)	1.59
Loss allowance at the end of the year	97.99	152.87



Loss allowance as at March 31, 2024 and March 31, 2023 was determined as follows under the simplified approach:

As at March 31, 2024	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	27,082.55	1,118.67	49.19	65.17	10.95	89.93	28,416.46
Expected loss rate	0.11%	0.57%	1.46%	3.05%	14.06%	64.81%	
Expected credit losses - Trade receivables	29.03	6.43	0.72	1.99	1.54	58.28	97.99
Carrying amount of trade receivables (net of impairment)	27,053.52	1,112.24	48.47	63.18	9.41	31.65	28,318.47

As at March 31, 2023	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	18,670.73	1,046.99	817.31	121.13	143.99*	157.30	20,957.45
Expected loss rate	0.09%	0.46%	1.10%	2.48%	0.00%	75.57%	
Expected credit losses - Trade receivables	17.11	4.85	9.03	3.01	-	118.87	152.87
Carrying amount of trade receivables (net of impairment)	18,653.62	1,042.14	808.28	118.12	143.99*	38.43	20,804.58

*Receivable from Ministry of Railways, which is a due from the government and accordingly no expected provision for credit loss is recognised.

Significant estimate: The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, the Company's finance division monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet the operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Company raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate:		
-Expiring within one year (cash credit, working capital loans and other facilities)	30,729.98	34,008.25
-Expiring beyond one year (bank loans)	-	4,650.74

(ii) Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Upto 1 year	1-5 Years	More than 5 years	Total
As at March 31, 2024				
Non-derivatives				
Borrowings (including interest)	-	-	-	-
Supplier's credit	2,971.60	-	-	2,971.60
Trade payables	50,437.50	-	-	50,437.50
Other financial liabilities	4,471.62	-	-	4,471.62
Lease liabilities (including interest)	44.78	184.32	835.58	1,064.68
Total non-derivatives liabilities	57,925.50	184.32	835.58	58,945.40
Derivatives (net settled)				
Foreign exchange forward contracts	226.95	-	-	226.95
Total derivatives liabilities	226.95	-	-	226.95



Particulars	Upto 1 year	1-5 Years	More than 5 years	Total
As at March 31, 2023				
Non-derivatives				
Borrowings (including interest)	945.22	502.43	-	1,447.65
Supplier's credit	6,274.58	-	-	6,274.58
Trade payables	48,871.57	-	-	48,871.57
Other financial liabilities	2,089.39	-	-	2,089.39
Lease liabilities (including interest)	86.14	179.95	884.74	1,150.83
Total non-derivatives liabilities	58,266.90	682.38	884.74	59,834.02
Derivatives (net settled)				
Foreign exchange forward contracts	32.15	-	-	32.15
Total derivatives liabilities	32.15	-	-	32.15

Market risk**(i) Foreign currency risk**

The Company has exposure to foreign currency risk on account of its payables. The Company has a foreign currency exchange risk policy to mitigate this risk by entering into appropriate hedging instruments depending on the future outlook on currencies as considered necessary from time to time for which it has entered into derivative financial instruments such as foreign exchange forward contracts.

Foreign currency derivative contracts outstanding as at the end of the reporting period:

Particulars/Purpose	Amount	As at March 31, 2024	As at March 31, 2023
Hedge of foreign currency payables	USD (In Lakhs)	56.00	57.00
	Rs. (in Lakhs)	4,680.05	4,705.36
	JPY (in Lakhs)	8,709.00	9,293.41
	Rs. (in Lakhs)	4,900.24	5,850.25

Particulars of unhedged foreign currency exposure as at the reporting date:

Particulars/Purpose	Amount	As at March 31, 2024	As at March 31, 2023
Trade payables	Euro (in Lakhs)	-	0.13
	Rs. (in Lakhs)	-	10.82
	JPY (in Lakhs)	2,283.51	1,591.00
	Rs. (in Lakhs)	1,323.32	921.39

Foreign currency sensitivity analysis

The Company is mainly exposed to JPY (March 31, 2023: JPY & EURO) since it is unhedged as at reporting date.

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and vice-versa.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	INR strengthens by 10%	INR weakens by 10%	INR strengthens by 10%	INR weakens by 10%
Impact on profit for the year				
JPY impact	132.33	(132.33)	92.14	(92.14)
EURO impact	-	-	1.08	(1.08)

(ii) Interest rate risk**a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	-	1,339.51
Fixed rate borrowings	-	-

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2024		
	Weighted average interest rate%	Balance	% of total loans
Rupee loans from banks	-	-	-

Particulars	As at March 31, 2023		
	Weighted average interest rate%	Balance	% of total loans
Rupee loans from banks	9.17	1,339.51	100%

b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest rates - increase by 50 basis points	-	4.36
Interest rates - decrease by 50 basis points	-	(4.36)

(iii) Price risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company. Due to the competitive market, major OEMs demand price cuts which in turn may affect the profitability of the Company.

The Company has arrangements with its major customers for passing on the price impact. The Company is regularly taking initiatives like VA VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

22(c). Capital management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e., Net Debt (total borrowings (including supplier's credit) and lease liabilities net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

Particulars	March 31, 2024	March 31, 2023
Net Debt (In Lakhs)	(457.95)	5,074.65
EBITDA (In Lakhs)	26,888.05	18,807.29
Net Debt to EBITDA	(0.02)	0.27

The Net debt to EBITDA ratio for the current year decreased from 0.27 to (0.02) due to reduction in debt on account of repayment of borrowings during the year ended March 31, 2024.

Loan covenants

Under the terms of the major borrowings facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.



Dividends

Particulars	As at March 31, 2024	As at March 31, 2023
On Equity shares of Rs. 2 each		
Final dividend		
Dividend paid (Rs. In Lakhs)	652.36	456.65
Dividend per equity share	1.00	0.70

The Board of Directors recommended a final dividend of Rs. 1.8 per share (nominal value of Rs. 2 per share) for the financial year 2023-24 (March 31, 2023: Rs. 1 per share for the financial year 2022-23). This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Standalone Financial Statements. The total estimated dividend to be paid is Rs. 1,174.24 Lakhs (March 31, 2023: Rs. 652.36 Lakhs).

23. Segment information

The Company is primarily in the business of manufacturing of thermal products.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment for the Company. Export sales constitute an insignificant portion of total business of the Company. Hence, there is no geographical segment as well.

Entity wide disclosures

(All amounts in Rs. Lakhs, unless otherwise stated)

	Domestic	Overseas	Total
Revenue from operations			
For the year ended March 31, 2024	307,050.35	6.71	307,057.06
For the year ended March 31, 2023	280,588.85	39.32	280,628.17
Non current segment assets			
As at March 31, 2024	82,718.59	-	82,718.59
As at March 31, 2023	81,626.75	-	81,626.75

- Domestic information includes sales and services rendered to customers located in India.
- Overseas information includes sales and services rendered to customers located outside India.
- Non current segment assets includes property, plant and equipment, right-of-use assets, capital work-in-progress, intangible assets, intangible assets under development and capital advances.
- Revenue from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is Rs. 148,261.55 Lakhs from one customer (previous year: 134,951.93 Lakhs) and Rs. 111,652.58 Lakhs from second customer (previous year: 93,755.76 Lakhs).

24. Related party disclosures**Entity having significant influence over the Company**

Denso Corporation, Japan

Joint venture

Denso Subros Thermal Engineering Centre India Private Limited, India

Key management personnel

Ms. Shradha Suri, Chairperson and Managing Director

Mr. Parmod Kumar Duggal, Chief Executive Officer and whole time Director

Ms. Jyotsna Suri, Director

Mr. Mohammed Asad Pathan, Independent Director (Upto March 31, 2024)

Mr. Kuttalam Rajagopalan Ramamoorthy, Independent Director (Upto March 31, 2024)

Mr. Girish Narain Mehra, Independent Director (Upto March 31, 2024)

Mr. Shailendra Swarup, Independent Director (Upto March 31, 2024)

Ms. Meena Sethi, Independent Director (Upto March 31, 2024)

Mr. Arvind Kapur, Independent Director

Mr. Arjan Kumar Sikri, Independent Director (From April 1, 2024)

Ms. Deepa Gopalan Wadhwa, Independent Director (From April 1, 2024)

Mr. Ashok Lavasa, Independent Director (From April 1, 2024)

Ms. Vanaja Narayanan Sarna, Independent Director (From April 1, 2024)

Ms. Smita Piyush Mankad, Independent Director (From April 1, 2024)

Mr. Kenichi Ayukawa, Nominee Director (Upto September 30, 2022)



Mr. Hisashi Takeuchi, Nominee Director (From October 1, 2022)
 Mr. Naohisa Kuriyama, Nominee Director (From March 29, 2023)
 Mr. Tomoaki Yoshimori, Nominee Director
 Mr. Yasuhiro Iida, Alternate Director (From January 25, 2023)
 Mr. Hidemasa Takahashi, Nominee Director (Upto March 29, 2023)
 Mr. Yasuaki Matsunaga, Alternate Director (Upto January 25, 2023)
 Mr. Hemant Kumar Agarwal, Chief Financial Officer
 Mr. Rakesh Arora, Company Secretary (Upto May 31, 2022)
 Mr. Shiv Ram Singh, Company Secretary (From June 1, 2022 to November 15, 2022)
 Mr. Kamal Samtani, Company Secretary (From April 28, 2023)

Close family members of key management personnel

Mr. Keshav Suri, Son of Ms. Jyotsna Suri
 Ms. Pia Marwah, Daughter of Ms. Shradha Suri
 Ms. Bani Marwah, Daughter of Ms. Shradha Suri
 Master Vir Marwah, Son of Ms. Shradha Suri

Entities over which key management personnel and/or their close family members have control or joint control:

SHS Transport Private Limited, India
 Rohan Motors Limited, India
 Hemkunt Service Station Private Limited, India
 Prima Infratech Private Limited, India
 Deeksha Holding Limited, India
 Jyotsna Holding Private Limited, India
 RR Holdings Private Limited, India
 Global Autotech Limited, India
 JS Family Trust

List of other related parties - Post employment benefit plan of the Company

Subros Employees Group Gratuity Cum Life Assurance Trust, India
 Subros Employees Group Superannuation Cum Life Assurance Trust, India

Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties:

(a) Transactions with related parties

(All amounts in Rs. Lakhs, unless otherwise stated)

Relation	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Entity having significant influence over the Company			
Denso Corporation	Sale of goods	3.52	19.42
	Reimbursement of expenses received	-	48.74
	Royalty paid	4,153.67	3,333.12
	Receipt of technical services	896.90	574.50
	Dividend paid	130.47	91.33
Joint venture			
Denso Subros Thermal Engineering Centre India Private Limited	Purchase of intangible assets (Technical knowhow)	622.91	643.82
	Sale of goods	1.15	-
	Rental income	32.50	29.26
	Other income	0.80	0.43
	Reimbursement of expenses received	10.53	11.10
	Dividend received	12.58	28.23
Key management personnel			
(i) Compensation:			
Ms. Shradha Suri	Short term benefits	516.76	355.69
	Post employment benefits	11.70	11.28
Mr. Parmod Kumar Duggal	Short term benefits	127.34	117.69
	Post employment benefits	4.23	3.59
	Other long term employee benefits	0.39	0.68



(All amounts in Rs. Lakhs, unless otherwise stated)

Relation	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Mr. Hemant Kumar Agarwal	Short term benefits	87.88	81.08
	Post employment benefits	4.45	3.57
	Other long term employee benefits	1.24	0.36
Mr. Rakesh Arora	Short term benefits	-	9.37
	Post employment benefits	-	1.13
Mr. Shiv Ram Singh	Short term benefits	-	17.81
	Post employment benefits	-	0.66
	Other long term employee benefits	-	0.35
Mr. Kamal Samtani	Short term benefits	31.85	-
	Post employment benefits	1.20	-
	Other long term employee benefits	0.49	-
Ms. Jyotsna Suri	Short term benefits (sitting fees)	3.00	2.25
Mr. Mohammed Asad Pathan	Short term benefits (sitting fees)	9.45	8.10
Mr. Kuttalam Rajagopalan Ramamoorthy	Short term benefits (sitting fees)	8.25	7.50
Mr. Girish Narain Mehra	Short term benefits (sitting fees)	15.50	15.70
Mr. Shailendra Swarup	Short term benefits (sitting fees)	7.95	8.10
Ms. Meena Sethi	Short term benefits (sitting fees)	9.55	12.20
Mr. Arvind Kapur	Short term benefits (sitting fees)	5.85	4.70
Total compensation to Key management personnel as above	Short term benefits	823.38	640.19
	Post employment benefits	21.58	20.23
	Other long term employee benefits	2.12	1.39
		847.08	661.81
(ii) Others:			
Ms. Shradha Suri	Rent paid	7.64	7.28
	Dividend paid	55.87	39.11
Ms. Jyotsna Suri	Rent paid	30.00	30.00
	Dividend paid	-	11.33
Mr. Arvind Kapur	Dividend paid	0.21	0.15
Close family members of key management personnel			
Mr. Keshav Suri	Rent paid	3.14	3.00
Ms. Pia Marwah	Rent paid	9.60	9.60
Ms. Bani Marwah	Rent paid	9.60	9.60
Master Vir Marwah	Rent paid	9.60	9.60
Contribution to funds			
Subros Employees Group Gratuity Cum Life Assurance Trust	Employer's contribution towards gratuity fund	12.89	10.12
Entities over which key management personnel and/or their close family members have control or joint control:			
Hemkunt Service Station Private Limited	Purchase of materials	8.54	11.14
Prima Infratech Private Limited	Rent paid	269.97	245.41
Prima Infratech Private Limited	Reimbursement of expenses paid	-	3.17
Rohan Motors Limited	Purchase of property, plant and equipment	127.85	43.41
Rohan Motors Limited	Receiving of services	10.71	14.92
Rohan Motors Limited	Rent paid	5.34	16.02
Rohan Motors Limited	Dividend paid	0.06	0.04
Rohan Motors Limited	Sale of goods	3.19	3.65
Global Autotech Limited	Sale of goods	502.03	-
Global Autotech Limited	Purchase of materials	27,074.97	-
Global Autotech Limited	Reimbursement of expenses received	2.46	-
SHS Transport Private Limited	Receiving of services	658.48	616.01

(All amounts in Rs. Lakhs, unless otherwise stated)

Relation	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
SHS Transport Private Limited	Rent paid	4.90	4.67
SHS Transport Private Limited	Dividend paid	9.80	-
Deeksha Holding Limited	Dividend paid	101.38	70.96
Jyotsna Holding Private Limited	Dividend paid	34.48	24.14
JS Family Trust	Dividend paid	16.19	-
RR Holdings Private Limited	Dividend paid	32.08	22.46

(b) Outstanding balances :

(All amounts in Rs. Lakhs, unless otherwise stated)

Relation	Particulars	As at March 31, 2024	As at March 31, 2023
Entity having significant influence over the Company			
Denso Corporation	Trade payables	2,221.27	1,757.15
	Trade receivables	-	2.45
Joint venture			
Denso Subros Thermal Engineering Centre India Private Limited	Trade receivables	1.51	1.62
	Other financial liabilities (Capital creditors)	92.44	104.06
	Other financial liabilities (security deposit)	6.14	6.14
Key management personnel:			
Ms. Shradha Suri	Other financial liabilities (due to directors)	301.55	140.07
Ms. Shradha Suri	Other financial assets (security deposit)	3.30	3.30
Ms. Jyotsna Suri	Other financial liabilities (due to directors)	-	0.68
Mr. Mohammed Asad Pathan	Other financial liabilities (due to directors)	-	1.35
Mr. Ramamoorthy Rajagopalan Kuttalam	Other financial liabilities (due to directors)	-	1.35
Mr. Girish Narain Mehra	Other financial liabilities (due to directors)	-	3.29
Mr. Shailendra Swarup	Other financial liabilities (due to directors)	-	2.03
Ms. Meena Sethi	Other financial liabilities (due to directors)	-	2.61
Mr. Arvind Kapur	Other financial liabilities (due to directors)	-	1.35
Close family members of key management personnel			
Master Vir Marwah	Other financial assets (security deposit)	4.35	4.35
Ms Pia Marwah	Other financial assets (security deposit)	4.35	4.35
Ms Bani Marwah	Other financial assets (security deposit)	4.35	4.35
Sh Keshav Suri	Other financial assets (security deposit)	1.36	1.36
Entities over which key management personnel and/or their close family members have control or joint control:			
Rohan Motors Limited	Other financial liabilities (Capital creditors)	11.87	-
Rohan Motors Limited	Trade payables	6.83	6.77
SHS Transport Private Limited	Trade payables	125.87	112.68
Hemkunt Service Station Private Limited	Trade payables	2.04	1.70
Prima Infratech Private Limited	Trade payables	0.93	22.67
Global Autotech Limited	Trade payables	7,042.58	-
Global Autotech Limited	Trade receivables	347.73	-
Rohan Motors Limited	Trade receivables	1.69	0.45
SHS Transport Private Limited	Other financial assets (security deposit)	2.33	2.33
Rohan Motors Limited	Other financial assets (security deposit)	6.57	6.57
Prima Infratech Private Limited	Other financial assets (security deposit)	236.75	236.75
Hemkunt Service Station Private Limited	Other financial assets (security deposit)	0.10	0.10



Relation	Particulars	As at March 31, 2024	As at March 31, 2023
Post employment benefit plan of the Company:			
Subros Employees Group Superannuation Cum Life Assurance Trust, India	Other assets (advances to suppliers)	0.54	0.54
Subros Employees Group Gratuity Cum Life Assurance Trust, India	Other assets (advances to suppliers)	0.02	0.01

Terms and conditions:

- All transactions with related parties are in ordinary course of business and on arm's length basis.
- All outstanding balances are unsecured and will be settled in cash.
- All transactions are exclusive of applicable taxes for which input credit is allowed.

25. Capital commitments

Estimated value of contracts on capital account remaining to be executed and not provided for (net of advances) amounting to Rs. 1,405.52 Lakhs (March 31, 2023: Rs. 3,211.85 Lakhs).

26. Contingent liabilities

(a) Claims against the Company not acknowledged as debts

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Sales tax matters	79.74	79.74
Goods and services tax matters	28.59	9.24
Excise matters	75.81	442.25
Custom matters	15.19	15.19
Income tax matters	1,494.08	1,483.21
Claims made by workmen	903.47	783.40

Notes:

- It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.

Significant estimate: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgement by management considering the probability of exposure to potential loss. Judgement includes consideration of experts opinion, facts of the matter, underlying documentation and historical experience. Changes in assumptions about these factors could affect the reported value of contingencies and provisions.

- Guarantees issued by banks on behalf of the Company amounting to Rs. 1,206.51 Lakhs (March 31, 2023: Rs. 935.84 Lakhs).
- Outstanding commitments under letter of credit established by the Company aggregate to Rs. 3,588.31 Lakhs (March 31, 2023: Rs. 6,196.76 Lakhs).

27. Leases

Accounting policy

As a lessee

The Company leases certain premises and plant and machinery. The lease term is for 11 months - 35 years except in case of leasehold land where lease term is upto 99 years, but may have an extension option as described in (ii)(b) below.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Company obtains the interest rate from its bankers for borrowings for a tenure that is substantially similar to the lease terms, with a similar security and the similar economic environment for leases held by the Company.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short term leases are recognised on a straight-line basis as an expense in Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less.

Refer note 39(vii) for the other accounting policies relevant to leases.

(i) Amounts recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Right-of-use assets		
Leasehold land	3,264.89	3,315.34
Buildings	344.36	404.11
Total	3,609.25	3,719.45

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current	45.65	82.84
Non-current	440.50	444.34
Total	486.15	527.18

Additions to the right-of-use assets during the current financial year were Rs. Nil (March 31, 2023: Rs. 2,221.59 Lakhs)

(ii) Amount recognised in the Statement of Profit and Loss

The Statement of Profit and Loss shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of right-of-use assets (refer note 20)		
Leasehold land	50.45	33.97
Buildings	59.75	112.71
Total	110.20	146.68

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense (included in finance costs - refer note 19)	45.10	62.08
Expense relating to short term leases (included in other expenses - refer note 21)	329.20	346.83
Total	374.30	408.91

The total cash outflow for leases (including interest on lease liabilities) for the year ended March 31, 2024 was Rs. 415.33 Lakhs. (March 31, 2023: Rs. 697.62 Lakhs).

(a) Variable lease payments

The Company does not have any leases with variable lease payments.

(b) Extension and termination options

Extension and termination options are included in number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(c) Residual value guarantees

The Company does not provide any residual value guarantee in relation to its leases.

The Company as a lessor

One office premise and one leased factory premise is let out by the Company on operating lease and it is cancellable in nature. Lease rental income is set out in note 15 to these Standalone Financial Statements as "Rental income" in "Other income".



28. Employee benefits

The various benefits provided to employees by the Company are as under:

Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss :

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution to Provident Fund*	923.32	815.71
Employer's contribution to Employees State Insurance Scheme*	164.20	136.74

* Included in "Contribution to provident and other funds" in Note 18.

Defined benefit plans and other long term benefits

a) Contribution to gratuity funds - The Company provides for gratuity for employees as per The Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and Company makes contribution to recognized funds in India.

b) Leave encashment/compensated absence - The leave obligations cover the Company's liability for earned leave, sick leave and casual leave. The entire amount of the provisions of Rs. 389.83 Lakhs (March 31, 2023: Rs. 325.26 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	As at March 31, 2024	As at March 31, 2023
Leave obligations not expected to be settled within the next 12 months	347.08	281.04

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

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

Salary risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The principal assumptions used for the purpose of the actuarial valuations were as follows:

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
Discount rate (per annum)	7.25%
Rate of increase in compensation level (per annum)	7.00%
As at March 31, 2023	
Discount rate (per annum)	7.50%
Rate of increase in compensation level (per annum)	7.00%

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

Components of expenses recognized in the Statement of Profit and Loss in respect of:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Current service cost	238.26
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	66.10
Expenses recognized in Statement of Profit and Loss	304.36
For the year ended March 31, 2023	
Current service cost	194.22
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	64.07
Expenses recognized in Statement of Profit and Loss	258.29

Components of expenses recognized in the other comprehensive income in respect of:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	(323.13)
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	(58.13)
-experience variance	(267.04)
-plan asset	2.04
For the year ended March 31, 2023	23.05
Actuarial gains/(loss) on:	
- changes in demographic assumptions	-
- changes in financial assumptions	34.59
- experience variance	(17.00)
- plan asset	5.46

Actuarial (gain) / loss on obligations

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	58.13
Actuarial (gain) / loss arising from experience adjustment	267.04
For the year ended March 31, 2023	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	(34.59)
Actuarial (gain) / loss arising from experience adjustment	17.00

Actuarial gain / (loss) on plan assets

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Return on plan assets, excluding amount recognized in net interest expense	112.76
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(114.80)
Component of defined benefit costs recognized in other comprehensive income	(2.04)
For the year ended March 31, 2023	
Return on plan assets, excluding amount recognized in net interest expense	102.16
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(107.62)
Component of defined benefit costs recognized in other comprehensive income	(5.46)

The current service cost and the interest expense for the year are included in the "Employee benefits expense" in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
Present value of obligation	2,795.79
Fair value of plan assets	1,618.09
Surplus/(deficit)	(1,177.70)
Asset ceiling	-
Net asset/(liability)	(1,177.70)
As at March 31, 2023	
Present value of obligation	2,384.78
Fair value of plan assets	1,503.29
Surplus/(deficit)	(881.49)
Asset ceiling	-
Net asset/(liability)	(881.49)

Note: The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.



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

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Present value of the obligation as at the beginning	2,384.78
Current service cost	238.26
Interest cost	178.86
Remeasurement (or actuarial) (gain)/loss arising from:	
- Change in demographic assumptions	58.13
- Change in financial assumptions	267.04
- experience variance	-
Past service cost	-
Benefits paid	(331.28)
Present value of the obligation as at the end	2,795.79
For the year ended March 31, 2023	
Present value of the obligation as at the beginning	2,270.97
Current service cost	194.22
Interest cost	166.23
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	(34.59)
-Change in financial assumptions	17.00
-experience variance	-
Past service cost	-
Benefits paid	(229.05)
Present value of the obligation as at the end	2,384.78

Movement in the fair value of the plan assets are as follows:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Fair value of plan assets at the beginning	1,503.29
Interest income	114.80
Employer contribution	-
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	1,618.09
For the year ended March 31, 2023	
Interest income	1,395.67
Employer contribution	107.62
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	1,503.29

Major categories of plan assets (as % of total plan assets):

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
Funds managed by insurer	100%
Total	100%
As at March 31, 2023	
Funds managed by insurer	100%
Total	100%

Since it is a funded plan with insurer, hence break up of investment by insurer is not available with the Company, hence not given.

Sensitivity analysis

Significant actuarial assumptions for the determination of employee defined benefit obligation using projected unit credit method are discount rate and expected salary growth rate. The sensitivity analysis below has been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant. Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 115.45
Decrease in discount rate by 0.5%	Increase by 124.52
Increase in expected salary growth rate by 0.5%	Increase by 121.77
Decrease in expected salary growth rate by 0.5%	Decrease by 114.65
As at March 31, 2023	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 92.35
Decrease in discount rate by 0.5%	Increase by 99.38
Increase in expected salary growth rate by 0.5%	Increase by 97.34
Decrease in expected salary growth rate by 0.5%	Decrease by 91.23

The fair value of the plan assets is taken as per the account statements of the insurance companies.

The average duration of the employee defined benefit obligation of gratuity fund as at March 31, 2024 is 13.37 years (March 31, 2023 is 13.45 years).

The Company expects that benefit paid during the next financial year would be Rs. 371.81 Lakhs (March 31, 2023: Rs. 296.14 Lakhs).

Maturity Profile of Defined Benefit Obligation

(All amounts in Rs. Lakhs, unless otherwise stated)

Year	Gratuity (Funded)
As at March 31, 2024	
April 1, 2024 - March 31, 2025	210.70
April 1, 2025 - March 31, 2026	177.23
April 1, 2026 - March 31, 2027	181.35
April 1, 2027 - March 31, 2028	282.75
April 1, 2028 - March 31, 2029	197.63
April 1, 2029 - March 31, 2030	187.70
April 1, 2030 Onwards	1,558.43
Total	2,795.79
As at March 31, 2023	
April 1, 2023 - March 31, 2024	249.02
April 1, 2024 - March 31, 2025	151.99
April 1, 2025 - March 31, 2026	143.01
April 1, 2026 - March 31, 2027	149.45
April 1, 2027 - March 31, 2028	237.81
April 1, 2028 - March 31, 2029	163.29
April 1, 2029 Onwards	1,290.21
Total	2,384.78

Significant estimate: Employee benefit obligations are determined using actuarial valuation. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary 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.

29. Research and development expenses

The Company has one in-house Research and Development Centre in Noida, approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. The details of research and development expenses is as under :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Capital expenditure	17.21	23.77
Revenue expenditure - charged to Statement of Profit and Loss*	1,135.43	1,039.07
Revenue expenditure - towards development cost	1,770.89	1,534.91
Total	2,923.53	2,597.75

* Net of contract research income

Provision for taxation has been made after taking into account the benefit available on expenditure incurred on Research and Development Centres.



30. Earnings Per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic earnings per share (Rs.)	14.97	7.37
Diluted earnings per share (Rs.)	14.97	7.37
Profit attributable to the equity holders of the Company used in calculating basic earnings per shares and diluted earnings per share (Rs. Lakhs)	9,766.29	4,808.56
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	65,235,750	65,235,750

31. Expenses capitalized

Following construction/development period expenses incurred on making dies and tools and building and developing new product/technology have been capitalized or clubbed with capital work –in-progress or intangible assets under development, as the case may be :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of material consumed	1,695.87	1,693.89
Salaries, wages and other amenities to staff	1,612.24	1,483.67
Power and fuel	116.77	111.02
Rent	91.85	63.13
Repair and maintenance	126.21	83.74
Depreciation	56.68	40.28
Other overheads	374.98	356.37
Total	4,074.60	3,832.10

32: Additional regulatory information required by Schedule III**(i) Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has sanctioned limits for borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts subject to reconciliations. Refer Note 34 for the reconciliations.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of property, plant and equipment and intangible assets

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.



(xi) Loans and advances to promoters, directors, Key management personnel (KMPs) and related parties

The Company has not granted any loans and advances to promoters, directors, KMPs and related parties during the current or previous year.

Other regulatory information**(i) Title deeds of immovable properties held in name of the company**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3 to the Standalone Financial Statements, are held in the name of the Company.

(ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken. There are no borrowings obtained from financial institutions.

33. Financial ratios

(All amounts in Rs. Lakhs, unless otherwise stated)

Ratios	Note	Numerator		Denominator		Ratio		% Variance	Reason for variance
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023		
(a) Current ratio = Current assets / Current liabilities		80,713.97	68,466.80	62,632.52	61,992.43	1.29	1.10	16.68%	-
(b) Debt-equity ratio = Total debt / Shareholder's equity	Note (i)	3,457.75	8,141.27	95,584.60	86,712.48	0.04	0.09	-61.47%	Decrease due to repayment of long-term borrowings
(c) Debt service coverage ratio = Earnings available for debt service / Debt service	Note (ii)	26,926.42	18,782.23	1,450.30	1,398.62	18.57	13.43	38.25%	Increased due to higher profits and higher repayment of debt made in current year as compared to previous year
(d) Return on equity ratio = Profits for the year / Average shareholder's equity		9,766.29	4,808.56	91,148.54	84,529.03	10.71%	5.69%	5.02%	-
(e) Inventory turnover ratio = Cost of goods sold / Average inventory		226,727.25	215,032.51	35,685.03	32,807.49	6.35	6.55	-3.06%	-
(f) Trade receivables turnover ratio = Revenue from operations / Average trade receivables		307,057.06	280,628.17	24,561.53	21,720.39	12.50	12.92	-3.24%	-
(g) Trade payables turnover ratio = Total purchases / Average trade payables	Note (iii)	255,863.53	240,338.62	49,654.54	48,875.22	5.15	4.92	4.79%	-
(h) Net capital turnover ratio = Revenue from operations / Working capital		307,057.06	280,628.17	18,081.45	6,474.37	16.98	43.34	-60.82%	Decrease due to increase in current assets of the Company resulting in increase in working capital mainly on account of increase in inventory due to increased customer demand, increase in trade receivables due to increase in sales and increase in bank deposits (current).
(i) Net profit ratio = Profit for the year / Revenue from operations		9,766.29	4,808.56	307,057.06	280,628.17	3.18%	1.71%	1.47%	-
(j) Return on capital employed = Earning before Interest & taxes / Capital employed	Note (iv)	15,237.34	7,779.22	84,295.65	78,088.46	18.08%	9.96%	8.12%	-
(k) Return on Investment = Earning before Interest & taxes / Total assets		15,237.34	7,779.22	165,096.97	154,288.89	9.23%	5.04%	4.19%	-



Notes:

(i) Debt-equity ratio = Total debt / Shareholder's equity

Total debt = Borrowings + Lease liability + Supplier's credit

(ii) Debt service coverage ratio = Earnings available for debt service / Debt service

Earnings available for debt service = Profit for the year + Finance costs + Depreciation and amortization expense +/- Fair value changes on derivatives - Unwinding of discount on financial asset - Provision written back to the extent no longer required + Net loss on disposal of property, plant and equipment +/- Provision for inventory obsolescence made / (written back) +/- Unrealized foreign currency (gain)/loss (net) +/- Loss allowance made / (written back)Debt service = Interest payments + Lease payments + principal repayment of long term debt

(iii) Trade payables turnover ratio

Total purchases = Purchase of raw material and spares + Purchase of stores + Other expenses (excluding - Consumption of stores, Insurance, Warranty expenses, Net loss on disposal of property, plant and equipment and Director's sitting fees)

(iv) Return on capital employed = Earning before Interest & Taxes / Capital employed

Capital employed = Tangible net worth + total debt + deferred tax liability

Tangible net worth = Total assets - total Liabilities - Intangible assets - Right-of-use assets - Intangible assets under development

34. Reconciliation of stock statements with Standalone Financial Statements

For the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/ liabilities where differences were observed	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,405.59	36,454.88	(49.29)	Inter-plant goods in transit not considered in return submitted to banks.
June 2023	ICICI Bank	2,000		Trade receivables	28,563.93	29,093.49	(529.56)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
June 2023	Kotak Mahindra Bank	1,000		Trade payables	50,612.30	50,148.45	463.85	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
June 2023	State Bank of India	7,500						
September 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,627.22	36,640.95	(13.73)	Inter-plant goods in transit not considered in return submitted to banks.
September 2023	ICICI Bank	2,000		Trade receivables	33,559.08	33,737.18	(178.10)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
September 2023	Kotak Mahindra Bank	1,000		Trade payables	49,640.72	56,566.32	(6,925.60)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
September 2023	State Bank of India	7,500						

Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/liabilities where differences were observed	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
December 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	39,560.00	39,556.69	3.31	Rounding off difference, amount is immaterial
December 2023	ICICI Bank	2,000		Trade receivables	25,301.47	25,768.34	(466.87)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
December 2023	Kotak Mahindra Bank	1,000		Trade payables	47,786.61	49,202.47	(1,415.86)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
December 2023	State Bank of India	7,500						
March 2024	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	37,581.22	37,505.60	75.62	Inter-plant goods in transit not considered in return submitted to banks. Further, some imported goods in transit considered in return submitted to banks but reversed as an adjustment before closure of books of account.
March 2024	ICICI Bank	2,000		Trade receivables	27,607.81	28,318.47	(710.66)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
March 2024	Kotak Mahindra Bank	1,000		Trade payables	46,397.36	50,437.50	(4,040.14)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
March 2024	State Bank of India	7,500						

34. Reconciliation of stock statements with Standalone Financial Statements

For the year ended March 31, 2023

(All amounts in Rs. Lakhs, unless otherwise stated)

Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/liabilities where differences were observed	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2022	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	29,811.55	33,687.88	(3,876.33)	Goods in transit inventory and provision for slow moving/non moving inventory not considered in return submitted to banks.
June 2022	ICICI Bank	2,000		Trade receivables	27,503.84	27,616.34	(112.50)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
June 2022	Kotak Mahindra Bank	1,000		Trade payables	46,584.17	52,803.82	(6,219.65)	Payables in respect of goods in transit inventory, services received etc. considered in the books of account but not considered in return submitted to banks.
June 2022	State Bank of India	12,000						



Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/liabilities where differences were observed	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
September 2022	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	30,468.52	34,756.97	(4,288.45)	Goods in transit inventory and provision for slow moving/non moving inventory not considered in return submitted to banks.
September 2022	ICICI Bank	2,000		Trade receivables	17,996.72	18,236.73	(239.99)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
September 2022	Kotak Mahindra Bank	1,000		Trade payables	43,039.75	49,738.09	(6,698.34)	Payables in respect of goods in transit inventory, services received etc. considered in the books of account but not considered in return submitted to banks.
September 2022	State Bank of India	12,000						
December 2022	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	32,495.49	36,205.38	(3,709.91)	Goods in transit inventory not considered in return submitted to banks.
December 2022	ICICI Bank	2,000		Trade receivables	14,135.67	14,650.88	(515.21)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
December 2022	Kotak Mahindra Bank	1,000		Trade payables	43,553.82	48,978.03	(5,424.21)	Payables in respect of goods in transit inventory, services received etc. considered in the books of account but not considered in return submitted to banks.
December 2022	State Bank of India	12,000						
March 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	33,847.25	33,864.47	(17.22)	Goods in transit inventory not considered in return submitted to banks.
March 2023	ICICI Bank	2,000		Trade receivables	20,451.33	20,804.58	(353.25)	Trade receivables overdue more than 90 days and loss allowance not considered in return submitted to banks.
March 2023	Kotak Mahindra Bank	1,000		Trade payables	46,008.74	48,871.57	(2,862.83)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks.
March 2023	State Bank of India	12,000						

35. Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	3,915.70	3,066.62
Non-current borrowings (including current maturities of long term debt and interest)	-	(1,339.51)
Supplier's credit	(2,971.60)	(6,274.58)
Lease liabilities	(486.15)	(527.18)
Net debt	457.95	(5,074.65)

Description	Other assets	Liabilities from financing activities				Net debt
	Cash & cash equivalents	Current borrowings (Excluding current maturities of long term debt)"	Non-current borrowings (including current maturities of long term debt and interest)	Supplier's credit	Lease liabilities	
As at March 31, 2022	3,130.58	-	(2,503.27)	(3,518.63)	(815.89)	(3,707.21)
Cash flows	(63.96)	-	1,160.71	(2,755.95)	90.92	(1,568.28)
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	(445.23)	(143.94)	(17.98)	(62.08)	(669.23)
Interest paid	-	445.23	146.99	17.98	62.08	672.28
Other non-cash movements	-	-	-	-	(88.40)	(88.40)
- Acquisition of lease	-	-	-	-	(88.40)	(88.40)
- Derecognition of lease	-	-	-	-	286.19	286.19
As at March 31, 2023	3,066.62	-	(1,339.51)	(6,274.58)	(527.18)	(5,074.65)
Cash flows	849.08	-	1,335.81	3,302.98	41.03	5,528.90
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	(858.02)	(69.76)	(160.03)	(45.10)	(1,132.91)
Interest paid	-	858.02	73.46	160.03	45.10	1,136.61
Other non-cash movements	-	-	-	-	-	-
- Acquisition of lease	-	-	-	-	-	-
- Derecognition of lease	-	-	-	-	-	-
As at March 31, 2024	3,915.70	-	-	(2,971.60)	(486.15)	457.95

36. Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:- [Refer note 11(d)]

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	79.53	118.42
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end (Refer note below)	-	-
(iii) Principal amount paid to suppliers registered under the MSMED ACT, beyond the appointed day during the year (Refer note below)	-	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year (Refer note below)	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year (Refer note below)	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act for payments already made (Refer note below)	-	-
(vii) Further interest remaining due and payable for earlier years (Refer note below)	-	-

Note: Based on confirmations received from MSME vendors confirming that they have waived the interest payable to them under the MSMED Act, no accrual of interest payable under the aforesaid Act has been made.

37. The Supreme Court of India has passed an order dated February 28, 2019 in the matter of The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors in Civil Appeal No. 6221 of 2011 and few other linked cases. In the said order, the Supreme Court has clarified the definition of the Basic Wage under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant financial impact and accordingly, no provision has been made in these Standalone Financial Statements. The Company will continue to monitor and evaluate its position based on future events and developments.

38. The Standalone Financial Statements were approved by the Board of Directors and authorized for issue on May 23, 2024.



39. Summary of other accounting policies:**i) Rounding of amounts**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

ii) Investment in Joint Venture

Investment in joint venture is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investment in joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

iii) Segment reporting

The Company is primarily in the business of manufacturing and sale of thermal products (Automotive and home air conditioning systems and parts thereof).

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Refer note 23 for segment information presented.

iv) Foreign currency translation**Functional and presentation currency:**

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is Subros Limited's functional and presentation currency.

Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

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

v) Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Note 15 provides further information on how the Company accounts for government grants.

vi) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

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

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.



Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

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

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

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as deferred tax asset only to the extent it is probable that sufficient taxable profit will be available to allow all or part of MAT credit to be utilized during the specified period i.e., the period for which such credit is allowed to be utilized.

vii) Leases

As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities includes the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amount expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

As a lessor

Lease income from operating leases where the Company is lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in Balance Sheet based on their nature.

Entity-specific details about the Company's leasing policy are provided in note 27.

viii) Impairment of property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment 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.

ix) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

x) Inventories

Raw material and spares, work in progress, stores and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and spares and stores comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



Entity-specific details about inventories are provided in note 8.

xi) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the financial asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Foreign exchange gains and losses and impairment gains or losses are recognised in profit or loss. Any gain or loss arising on derecognition is recognised directly in profit or loss.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Entity-specific details about investments and other financial assets are provided in note 5(b).

xii) Property, plant and equipment

The Company's accounting policy for land is explained in note 3. Historical cost includes expenditure that is directly attributable to the acquisition of items. The cost of self generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses in disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

xiii) Intangible assets

Software

Costs associated with maintaining software are recognised as an expense as incurred.

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Research and development

Research expenditure and development expenditure that do not meet the criteria for capitalization are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Entity-specific details about intangible assets are provided in note 4.

xiv) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

xv) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xvi) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized as an expense in the period in which these are incurred.

xvii) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax discounting rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

No contingent asset is recognized but disclosed by way of notes to accounts. When the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

xviii) Employee benefits

a. Short term obligations

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



b. Post-employment obligations**Provident fund and Employees' state insurance:**

Contributions to defined contribution schemes such as Provident fund and Employees' state insurance are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company pays provident fund contribution to government-administered provident fund. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

Superannuation:

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the plan beyond its monthly contributions which are periodically contributed towards trust fund, the corpus of which is invested with the Life insurance companies.

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions made towards the trust fund, the corpus of which is invested with Life Insurance Corporation of India (LIC).

The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Past-service costs are recognized immediately in profit or loss.

c. Compensated absences:

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

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

xix) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xx) Earnings per share**Basic earnings per share:**

Basic earnings per share is calculated by dividing:

- a) the profit attributable to owners of the Company
- b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share:

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

- a) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xxi) Other income

Income from duty drawback and export incentives is recognized on an accrual basis.

Interest is recognized using the effective interest rate (EIR) method, as income for the period in which it occurs.

Dividend income on investments is recognized when the right to receive dividend is established.



xxii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No.: 057134

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Whole-time Director &
Chief Executive Officer
DIN : 02382912

Place : Gurugram
Date : May 23, 2024

Hemant Kumar Agarwal
Chief Financial Officer &
Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 23, 2024



Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures**Part "A": Subsidiaries**

Sl. No.	(Information in respect of each subsidiary to be presented with amounts in Lakhs)	
1	Name of the subsidiary	The Company does not have any subsidiary

- Notes:-
- Names of subsidiaries which are yet to commence operations **NA**
 - Names of subsidiaries which have been liquidated or sold during the year. **NA**

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associates /Joint Ventures	Denso Subros Thermal Engineering Centre India Private Limited (INR in Lakhs)
1	Latest audited Balance Sheet Date	31-03-2024
2	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	1767999
	Amount of Investment in Associates/Joint Venture	176.80
	Extent of Holding %	26%
3	Description of how there is significant influence	Joint Venture
4	Reason why the associate/joint venture is not consolidated	NA
5	Networth attributable to Shareholding as per latest audited Balance Sheet	183.42
6	Profit / Loss for the year	
	i. Considered in Consolidation	6.62
	ii. Not Considered in Consolidation	-

- Notes:-
- Names of Associates or joint ventures which are yet to commence operations **NA**
 - Names of Associates or joint ventures which have been liquidated or sold during the year. **NA**

INDEPENDENT AUDITOR'S REPORT

To the Members of Subros Limited

Report on the Audit of the Consolidated Financial Statements Opinion

1. We have audited the accompanying Consolidated Financial Statements of Subros Limited (hereinafter referred to as the "Company") and its joint venture (refer Note 35 to the attached Consolidated Financial Statements), 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, material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
2. 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its joint venture as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company and its joint venture in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India 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 the audit evidence obtained by the other auditor in terms of their report referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Appropriateness of capitalisation of internal development costs in relation to intangible assets under development</p> <p>[Refer note 4 (Intangible assets and intangibles assets under development) to the Consolidated Financial Statements]</p> <p>During the year ended March 31, 2024, the Company has capitalized significant costs incurred on internal development of intangible assets amounting to Rs. 3,239.04 lakhs under the head 'Intangible assets under development'. Those intangible assets are predominantly in relation to the projects awarded by original equipment manufacturers. The costs mainly comprise technical knowhow, employees' payroll and other costs.</p> <p>The capitalization of internal development costs was a key audit matter due to the amount of the internal development costs capitalized and judgement involved in assessing whether the criteria for capitalization set out in the Indian Accounting Standard (Ind AS) 38 "Intangible Assets" had been met.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Understood and evaluated the design and tested the operating effectiveness of the Company's internal financial controls relating to the capitalization of internal development costs in relation to intangible assets under development. - Assessed the appropriateness of capitalization of product development costs with the criteria to capitalize product development costs and held inquiries with the management to understand their assessment to support the product's commercial viability. - Tested the accuracy and allocation of capitalized payroll and other costs and assessed whether these are directly attributable to the development as against research. - Assessed appropriateness of the assumptions underlying cash flow forecasts including the future revenue, expected margins to be achieved with reference to historical data



Significant judgement was made by the management in the determination of –

- i) whether the costs incurred is towards development of product or in the nature of research,
- ii) the costs, including payroll costs, were directly attributable to relevant projects, and
- iii) key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalized.

and management approved margins in the AOP (Annual Operating Plan), inputs used by the Management to calculate the discount rate applied by comparing this to the cost of capital for the Company. We also involved specialists to evaluate the reasonability of cost of capital of the Company used to discount the future cash flows expected from the asset once developed and capitalized.

- Performed a sensitivity analysis over the key assumptions which included assessing the impact of change in those assumptions that would be required for future economic benefits falling short of the carrying value of capitalized internal development costs.

As a result of the above procedures, the capitalization of internal development costs by the Company was considered to be appropriate.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report 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 and the report of the other auditor as furnished to us (Refer paragraph 14 below), 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.

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

6. The 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 and consolidated cash flows, and changes in equity of the Company including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Company and of its joint venture are responsible

for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Directors of the Company, as aforesaid.

7. In preparing the Consolidated Financial Statements, the respective Board of Directors of the Company and of its joint venture are responsible for assessing the ability of the Company and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the Company and of its joint venture are responsible for overseeing the financial reporting process of the Company and of its joint venture.

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

9. 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.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its joint venture 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 Company and its joint venture 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 Company and its joint venture 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. For the other entity included in the Consolidated Financial Statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Company 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.
 12. 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.
 13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. The Consolidated Financial Statements include the Company's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 6.62 Lakhs for the year ended March 31, 2024 as considered in the Consolidated Financial Statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose reports has been furnished to us by the Management, and our opinion on the Consolidated Financial Statements insofar



as it relates to the amounts and disclosures included in respect of the joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid joint venture, is based solely on the report of the other auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that the auditor of Denso Subros Thermal Engineering Centre India Private Limited, a joint venture of the Company have given the following comment in their CARO 2020 report dated May 22, 2024 on the standalone financial statements of Denso Subros Thermal Engineering Centre India Private Limited, as reproduced below:

Paragraph No.	Comment in the respective CARO report reproduced below				
(vii)(a)	Undisputed statutory dues, including Goods and Services tax, Provident fund, Income-tax, duty of Custom, Cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authority apart from: <table border="1" style="margin-left: 20px;"> <tr> <td>a.</td> <td>Undisputed amounts payable of Rs. 11,905 thousand on account of interest on delayed payment of Goods and Services tax on manpower supply as at March 31, 2024 for a period of more than six months from the date they became payable.</td> </tr> <tr> <td>b.</td> <td>Undisputed amounts payable of Rs. 19,930 thousand on account of Provident Fund contribution for international workers along with its interest as at March 31, 2024 are outstanding for a period of more than six months from the date they became payable.</td> </tr> </table>	a.	Undisputed amounts payable of Rs. 11,905 thousand on account of interest on delayed payment of Goods and Services tax on manpower supply as at March 31, 2024 for a period of more than six months from the date they became payable.	b.	Undisputed amounts payable of Rs. 19,930 thousand on account of Provident Fund contribution for international workers along with its interest as at March 31, 2024 are outstanding for a period of more than six months from the date they became payable.
a.	Undisputed amounts payable of Rs. 11,905 thousand on account of interest on delayed payment of Goods and Services tax on manpower supply as at March 31, 2024 for a period of more than six months from the date they became payable.				
b.	Undisputed amounts payable of Rs. 19,930 thousand on account of Provident Fund contribution for international workers along with its interest as at March 31, 2024 are outstanding for a period of more than six months from the date they became payable.				

16. 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 so far as it appears from our examination of those books and the report of the other auditor except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (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 Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company and the report of the statutory auditor of its joint venture incorporated in India, none of the directors of the Company and its joint venture incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Company and its joint venture and the operating effectiveness of such controls, refer to our separate report in Annexure A.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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, if any, of pending litigations on the consolidated financial position of the Company and its joint venture— Refer Note 26 to the Consolidated Financial Statements.
 - ii. The Company and its joint venture did not have any long-term contracts for which there were any material foreseeable losses. The



Company and its joint venture did not have any long-term derivative contracts as at March 31, 2024.

- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company. During the year ended March 31, 2024, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the joint venture incorporated in India.
- iv. (a) The respective Managements of the Company and its joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of their knowledge and belief, as disclosed in Note 32(vii) to the Consolidated Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or such joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or such joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of their knowledge and belief, as disclosed in the Notes 32(vii) to the Consolidated Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company or such joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or such

joint venture 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 those performed by the auditor of the joint venture which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company and its joint venture, is in compliance with Section 123 of the Act.
- vi. Based on our examination, which included test checks and that performed by the auditor of the joint venture, which is a company incorporated in India whose financial statements have been audited under the Act, other than in respect of the joint venture as described below, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log at the application level is not maintained in case of modification by certain users with specific access and audit trail has not been enabled at the database level to log any direct data changes. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.

The following remark was included in the audit report dated May 22 2024, containing an unmodified audit opinion on the financial statements of Denso Subros Thermal Engineering Centre India Private Limited, a joint venture of the Company issued by an independent firm of Chartered Accountants, which is reproduced as under:



Based on our examination, the accounting software used by the Company for maintaining its books of account for the year ended March 31, 2024 did not have a feature of recording audit trail (edit log).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

17. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Further, the joint venture is a private limited company and accordingly, reporting under section 197(16) of the Act is not applicable to the joint venture.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number: 057134

UDIN: 24057134BKGUAI7113
Place: Gurugram
Date: May 23, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Subros Limited on the Consolidated Financial Statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. 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 with reference to financial statements of Subros Limited (hereinafter referred to as "the Company") as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to a joint venture company incorporated in India namely Denso Subros Thermal Engineering Centre India Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to Financial Statements is applicable, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over

financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number: 057134

UDIN: 24057134BKGUAI7113
Place: Gurugram
Date: May 23, 2024

CIN: L74899DL1985PLC020134

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	58,652.75	55,212.57
Right-of-use assets	27	3,609.25	3,719.45
Capital work-in-progress	3	4,053.45	5,572.41
Intangible assets	4	12,244.85	13,386.73
Intangible assets under development	4	3,978.79	3,029.75
Investment accounted for using the equity method	5(a)	183.42	189.38
Financial assets			
i) Investment	5(b)(i)	299.98	299.98
ii) Loans	5(b)(vi)	11.81	17.02
iii) Other financial assets	5(b)(vii)	964.11	3,459.99
Non-current tax assets (net)	9	211.71	241.55
Other non-current assets	7	179.50	705.84
Total non-current assets		84,389.62	85,834.67
Current assets			
Inventories	8	37,505.60	33,864.47
Financial assets			
i) Investment	5(b)(ii)	-	2,000.00
ii) Trade receivables	5(b)(iii)	28,318.47	20,804.58
iii) Cash and cash equivalents	5(b)(iv)	3,915.70	3,066.62
iv) Bank balances other than (iii) above	5(b)(v)	8,319.42	5,772.63
v) Loans	5(b)(vi)	65.48	66.24
vi) Other financial assets	5(b)(vii)	323.00	191.23
Other current assets	7	2,266.30	2,701.03
Total current assets		80,713.97	68,466.80
TOTAL ASSETS		165,103.59	154,301.47
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10 (a)	1,304.71	1,304.71
Other equity	10 (b)	94,288.43	85,422.27
Total equity		95,593.14	86,726.98
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	11 (a)	-	468.75
ii) Lease liabilities	27	440.50	444.34
Provisions	12	1,353.16	1,051.98
Deferred tax liabilities (net)	6	5,084.27	3,368.72
Other non-current liabilities	11 (f)	-	248.27
Total non-current liabilities		6,877.93	5,582.06
Current liabilities			
Financial liabilities			
i) Borrowings	11 (b)	-	870.76
ii) Lease liabilities	27	45.65	82.84
iii) Supplier's credit	11 (g)	2,971.60	6,274.58
iv) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	11 (d)	79.53	118.42
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	11 (d)	50,357.97	48,753.15
v) Other financial liabilities	11 (c)	4,698.57	2,121.54
Contract liabilities	13 (a)	809.66	838.35
Provisions	12	653.02	580.99
Current tax liabilities	11 (e)	89.67	237.76
Other current liabilities	13 (b)	2,926.85	2,114.04
Total current liabilities		62,632.52	61,992.43
TOTAL LIABILITIES		69,510.45	67,574.49
TOTAL EQUITY AND LIABILITIES		165,103.59	154,301.47

The accompanying notes are an integral part of these Consolidated Financial Statements
This is the Consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Rajib Chatterjee
Partner
Membership No :057134

Place : Gurugram
Date : May 23, 2024

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Whole-time Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer
& Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 23, 2024



CIN: L74899DL1985PLC020134

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

(All amounts in Rs. Lakhs, unless otherwise stated)

	Particulars	Note no	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	14	307,057.06	280,628.17
II	Other income	15	1,454.53	2,028.73
III	Total income (I + II)		308,511.59	282,656.90
IV	Expenses			
	Cost of material consumed	16	227,860.05	213,790.79
	Changes in inventories of finished goods and work-in-progress	17	(1,132.80)	1,241.72
	Employee benefits expense	18	28,409.14	24,772.46
	Finance costs	19	1,167.22	677.71
	Depreciation and amortization expense	20	11,650.71	11,028.07
	Other expenses	21	26,499.73	24,072.87
	Total expenses (IV)		294,454.05	275,583.62
V	Profit before share of net profits of joint venture accounted for using equity method and tax (III - IV)		14,057.54	7,073.28
VI	Share of net profit of joint venture accounted for using equity method	5(a)	8.16	11.74
VII	Profit before tax (V+VI)		14,065.70	7,085.02
VIII	Tax expense:	6		
	-Current tax		2,506.96	1,217.71
	-Deferred tax		1,796.87	1,075.24
	Total tax expense (VIII)		4,303.83	2,292.95
IX	Profit for the year (VII-VIII)		9,761.87	4,792.07
X	Other comprehensive income <i>Items that will not be reclassified to profit or loss</i>			
	Gain / (Loss) on remeasurements of post employment benefit obligations	28	(323.13)	23.05
	Share of other comprehensive income of joint venture accounted for using equity method	5(a)	(1.54)	0.83
	Income tax relating to the above item	6	81.32	(8.06)
	Other comprehensive income for the year, net of tax (X)		(243.35)	15.82
XI	Total comprehensive income for the year (IX + X)		9,518.52	4,807.89
	Earnings per equity share (in Rs.) [Face value Rs. 2 each (March 31, 2023 : Rs. 2 each)]	30		
	Basic and Diluted		14.96	7.35

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Statement of Profit and Loss (including other comprehensive income) referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No :057134Shradha Suri
Chairperson &
Managing Director
DIN : 00176902Parmod Kumar Duggal
Whole-time Director &
Chief Executive Officer
DIN : 02382912Place : Gurugram
Date : May 23, 2024Hemant Kumar Agarwal
Chief Financial Officer
& Vice President (Finance)Kamal Samtani
Company Secretary
ICSI Membership No:- F5140Place : New Delhi
Date : May 23, 2024

CIN: L74899DL1985PLC020134

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity share capital

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	Amount
Balance at March 31, 2022	10 (a)	1,304.71
Changes in equity share capital during 2022-23		-
Balance at March 31, 2023		1,304.71
Changes in equity share capital during 2023-24		-
Balance at March 31, 2024		1,304.71

B. Other equity

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	Reserves and surplus			Total
		Securities Premium	General reserve	Retained earnings	
Balance as at March 31, 2022	10 (b)	20,817.44	12,575.48	47,678.11	81,071.03
Profit for the year		-	-	4,792.07	4,792.07
Other comprehensive Income					
Gain / (Loss) on remeasurements of post employment benefit obligations		-	-	23.05	23.05
Share of other comprehensive income of joint venture accounted for using equity method		-	-	0.83	0.83
Income tax relating to the above item		-	-	(8.06)	(8.06)
Total comprehensive income for the year		-	-	4,807.89	4,807.89
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(456.65)	(456.65)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2023		20,817.44	12,725.48	51,879.35	85,422.27
Balance as at April 1, 2023		20,817.44	12,725.48	51,879.35	85,422.27
Profit for the year		-	-	9,761.87	9,761.87
Other comprehensive income					
Gain / (Loss) on remeasurements of post employment benefit obligations		-	-	(323.13)	(323.13)
Share of other comprehensive income of joint venture accounted for using equity method		-	-	(1.54)	(1.54)
Income tax relating to the above item		-	-	81.32	81.32
Total comprehensive income for the year		-	-	9,518.52	9,518.52
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(652.36)	(652.36)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2024		20,817.44	12,875.48	60,595.51	94,288.43

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No :057134

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Whole-time Director &
Chief Executive Officer
DIN : 02382912

Place : Gurugram
Date : May 23, 2024

Hemant Kumar Agarwal
Chief Financial Officer
& Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 23, 2024



CIN: L74899DL1985PLC020134

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities			
Profit before tax		14,065.70	7,085.02
Adjustments for:			
Depreciation and amortization expense	20	11,650.71	11,028.07
Net loss on disposal of property, plant and equipment	21	92.42	53.51
Interest income on financial assets at amortized cost and others	15	(674.82)	(530.11)
Unwinding of discount on financial asset	15	(6.07)	(6.36)
Finance costs	19	1,167.22	677.71
Provision for inventory obsolescence made/ (written back)	8	(150.70)	153.55
Unrealized foreign currency (gain)/ loss (net)		(92.08)	140.03
Loss allowance made	5(b)(iii)	-	1.59
Net gain on sale of investments	15	(240.82)	(131.26)
Fair value changes on derivatives	15	194.80	(367.39)
Share of net profit of joint venture accounted for using equity method	5(a)	(8.16)	(11.74)
Operating profit before working capital changes		25,998.20	18,092.62
Adjustments for changes in operating assets and liabilities:			
(Increase)/ Decrease in loans (non-current)		11.28	14.75
(Increase)/ Decrease in other financial assets (non-current)		2,463.25	(2,507.70)
(Increase)/ Decrease in inventories		(3,490.43)	(2,267.51)
(Increase)/ Decrease in trade receivables		(7,513.89)	1,830.03
(Increase)/ Decrease in loans (current)		0.76	(10.33)
(Increase)/ Decrease in Bank balances other than cash and cash equivalents		(2,550.00)	2,951.43
(Increase)/ Decrease in other financial assets (current)		95.22	(91.15)
(Increase)/ Decrease in other current assets		434.73	(155.27)
Increase/ (Decrease) in non-current provisions		(21.95)	33.87
Increase/ (Decrease) in trade payables		1,658.01	(147.32)
Increase/ (Decrease) in Contract liabilities		(28.69)	(1,816.05)
Increase/ (Decrease) in other financial liabilities (current)		1,432.03	(787.87)
Increase/ (Decrease) in other current liabilities		812.81	(220.61)
Increase/ (Decrease) in Other non-current liabilities		(248.27)	171.48
Increase/ (Decrease) in current provisions		72.03	1.65
Cash generated from operations		19,125.09	15,092.02
Income tax paid (net)		(2,625.21)	(1,030.83)
Net cash inflow from operating activities		16,499.88	14,061.19
Cash flow from investing activities			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development		(11,971.85)	(11,040.19)
Payments for acquisition of leasehold land		-	(2,193.01)
Proceeds from sale / (payment for purchase) of investments (net)		2,240.82	(1,868.74)
Proceeds from sale of property, plant and equipment		90.14	62.78

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend received from joint venture		12.58	28.23
Interest received		480.46	514.71
Net cash (outflow) from investing activities		(9,147.85)	(14,496.22)
Cash flow from financing activities			
Repayment of long term borrowings		(1,335.81)	(1,160.71)
Principal element of lease payment		(41.03)	(90.92)
Increase/(decrease) in supplier's credit		(3,302.98)	2,755.95
Interest paid		(1,170.77)	(676.60)
Dividend paid	10(b)(iii)	(652.36)	(456.65)
Net cash inflow / (outflow) from financing activities		(6,502.95)	371.07
Net increase / (decrease) in cash and cash equivalents		849.08	(63.96)
Cash and cash equivalents at the beginning of the financial year	5(b)(iv)	3,066.62	3,130.58
Cash and cash equivalents at the end of the financial year [refer note 5(b)(iv)]		3,915.70	3,066.62
Cash and cash equivalents as per above comprise of the following:			
Cash on hand	5(b)(iv)	8.38	10.57
Balances with banks - In current accounts	5(b)(iv)	3,907.32	2,556.05
Deposit with original maturity of less than 3 months	5(b)(iv)	-	500.00
		3,915.70	3,066.62
Non-cash investing activities:			
Acquisition of right-of-use assets		-	88.40

Note: The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Statement of Cash Flows".

The accompanying notes are an integral part of these Consolidated Financial Statements

This is the Consolidated Statement of Cash Flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No : 057134

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Whole-time Director &
Chief Executive Officer
DIN : 02382912

Place : Gurugram
Date : May 23, 2024

Hemant Kumar Agarwal
Chief Financial Officer &
Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 23, 2024



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. Background

Subros Limited (the Company) and its joint venture (Denso Subros Thermal Engineering Centre India Private Limited) are engaged in the following businesses:

- i. Subros Limited is the leading manufacturer of thermal products for automotive applications in India, in technical collaboration with Denso Corporation, Japan. The Company is engaged primarily in the business of manufacturing and sale of thermal products for automotive and home air-conditioning original equipment manufacturers.
- ii. Joint venture is engaged in the business of providing application design services primarily to Subros Limited and to other entities related to the Denso Group.

Subros Limited is a public limited company incorporated in 1985 and domiciled in India, listed on the Bombay Stock Exchange (BSE) Limited and the National Stock Exchange of India Limited (NSE). The address of its registered office is LGF, World Trade Centre, Barakhamba Lane, New Delhi – 110001. The Company is a joint venture with 36.79% ownership by Suri family of India, 20% ownership by Denso Corporation, Japan & 11.96% ownership by Suzuki Motor Corporation, Japan.

2. Basis of preparation, critical estimates and judgements

2(a). Basis of preparation

(i) Compliance with Ind AS

The Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The Consolidated Financial Statements have been prepared on the historical cost convention except for certain items that are measured at fair values, as explained in the accounting policies.

All assets and liabilities have been classified as current or non-current according to the Company's 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 realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 1, 2023:

- Disclosure of accounting policies - amendments to Ind AS 1
- Definition of accounting estimates - amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction - amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

2(b). Critical estimates and judgements

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities on the date of the Consolidated Financial Statements and reported amounts of revenues and expenses for the years presented. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the significant effect to the carrying amount of assets and liabilities within the next financial year is included in other notes to the Consolidated Financial Statements as mentioned below:

- a. Measurement of employee defined benefit obligations – Refer note 28
- b. Measurement and likelihood of occurrence of provisions and contingencies – Refer note 26
- c. Estimation of provision for warranty – Refer note 12
- d. Estimated useful life of property, plant and equipment and intangible assets – Refer note 3 & 4
- e. Appropriateness of capitalization of internal development costs related to Intangible assets under development – Refer note 4
- f. Impairment of trade receivables – Refer note 5(b) (iii)
- g. Provision for inventory obsolescence – Refer note 8
- h. Recognition of deferred tax assets – Refer note 6



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

3. Property, plant and equipment and capital work-in-progress

Accounting policy

Freehold land is carried at historical cost. All other property, plant and equipment is recognised at historical cost less depreciation.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II of the Companies Act, 2013 except in respect of the below mentioned assets where useful life is determined through technical evaluation and is different than those prescribed in schedule II of the Companies Act, 2013.

Plant and machinery : 5-20 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values are not more than 5% of the original cost of the assets. Depreciation methods, useful lives and residual values are reviewed at least at each financial year end.

Refer note 39(xii) and 39(xxii) for the other accounting policies relevant to property, plant and equipment and note 39(viii) for the Company's policy regarding impairment.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Freehold land	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Total	Capital work-in-progress (CWIP)
Gross carrying amount								
Balance as at March 31, 2022	4,139.19	21,332.36	59,621.73	530.57	431.35	936.22	86,991.42	2,237.72
Additions	3.19	-	-	32.99	159.82	184.94	380.94	8,146.23
Transfer from CWIP	-	1,001.56	3,803.52	-	-	6.46	4,811.54	(4,811.54)
Disposals / adjustments	-	(7.52)	(968.67)	(12.65)	(54.64)	(128.79)	(1,172.27)	-
Balance as at March 31, 2023	4,142.38	22,326.40	62,456.58	550.91	536.53	998.83	91,011.63	5,572.41
Additions	0.48	-	-	26.96	268.78	301.70	597.92	10,050.19
Transfer from CWIP	-	305.82	11,261.66	0.36	-	1.31	11,569.15	(11,569.15)
Disposals / adjustments (Refer note (v) below)	-	(3.01)	(1,531.74)	(33.02)	(206.28)	(146.20)	(1,920.25)	-
Balance as at March 31, 2024	4,142.86	22,629.21	72,186.50	545.21	599.03	1,155.64	101,258.45	4,053.45
Accumulated depreciation								
As at March 31, 2022	-	3,044.84	25,735.97	241.76	60.08	347.99	29,430.64	-
Depreciation charge during the year	-	708.00	6,376.45	45.60	80.80	213.63	7,424.48	-
Disposals / adjustments	-	(7.15)	(891.39)	(9.61)	(25.05)	(122.86)	(1,056.06)	-
Balance as at March 31, 2023	-	3,745.69	31,221.03	277.75	115.83	438.76	35,799.06	-
Depreciation charge during the year	-	730.53	7,096.05	46.78	90.95	212.51	8,176.82	-
Disposals / adjustments	-	(0.12)	(1,049.23)	(30.54)	(150.99)	(139.30)	(1,370.18)	-
Balance as at March 31, 2024	-	4,476.10	37,267.85	293.99	55.79	511.97	42,605.70	-
Net carrying amount								
As at March 31, 2023	4,142.38	18,580.71	31,235.55	273.16	420.70	560.07	55,212.57	5,572.41
Net carrying amount								
As at March 31, 2024	4,142.86	18,153.11	34,918.65	251.22	543.24	643.67	58,652.75	4,053.45

Notes-

- Depreciation pertaining to machineries used for manufacture of moulds has been capitalized during the year amounting to Rs 55.46 Lakhs (Previous year Rs 39.15 Lakhs).
- Capital work-in-progress mainly comprises of building and plant and machinery.
- Refer note 25 to these Consolidated Financial Statements for disclosure of contractual commitments for the acquisition of property, plant and equipment.



- iv) In terms of IND AS - 16 on "Property, plant and equipment", the Company has reviewed the useful lives of property, plant and equipment. On such reviews, it was found that few plant and machinery (mainly comprising of dies, moulds, jigs etc.) had reached the end of their useful lives with no tangible future economic benefits. Accordingly, this has resulted in an incremental depreciation charge amounting to Rs. 392.93 Lakhs during the year ended March 31, 2024 with a consequential impact on "Profit before tax" of an equal amount.
- v) Includes Rs. 367.51 Lakhs in plant and machinery on account of government grant received. Refer note 11(f).
- vi) The carrying amount of assets pledged as security for non-current borrowings [refer note 11(a)] are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2024	As at March 31, 2023
Non current:			
First charge			
Property, plant and equipment	3	-	32,068.78
Total non-current assets offered as security		-	32,068.78

vii) Capital work-in-progress (WIP)

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2024

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,929.50	117.34	6.61	-	4,053.45
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2023

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,466.39	106.02	-	-	5,572.41
Projects temporarily suspended	-	-	-	-	-

(b) Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	460.22	-	-	-	460.22
- Hose & Tubes	36.27	-	-	-	36.27
- Compressor	4.43	-	-	-	4.43
- Condensor	72.00	-	-	-	72.00
Total	572.92	-	-	-	572.92

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	1,961.84	-	-	-	1,961.84
- Hose & Tubes	-	-	-	-	-
- Compressor	63.15	-	-	-	63.15
- Condensor	50.94	-	-	-	50.94
Total	2,075.93	-	-	-	2,075.93

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

viii) Significant estimate

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors such as the stability of the industry and known technological advances.

4. Intangible assets and intangible assets under development

Accounting policy

Technical knowhow

Technical knowhow comprises of costs of acquired technical knowledge from technology partner to develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers.

Product development cost

Product development costs comprises of costs incurred to design and develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers. The costs which can be capitalized include the cost of material, employee payroll costs and other overheads that are directly attributable to prepare the asset for its intended use.

Technical knowhow are capitalized along with product development costs when technical and commercial feasibility of the products developed is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the products and the cost can be measured reliably, in other cases such costs are taken to the Statement of Profit and Loss.

Capitalized technical knowhow and product development cost are recorded as intangible assets and amortized from the point at which the asset is available for use.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use. Estimated useful lives of intangible assets are as follows:

Technical knowhow	:	8 years
Product development	:	8 years
Software	:	3 years

Amortization methods and useful lives are reviewed periodically including at each financial year end.

Refer note 39(xiii) and 39(xxii) for the other accounting policies relevant to intangible assets and note 39(viii) for the Company's policy regarding impairment.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Software	Technical knowhow	Product development cost [Refer note (ii)]	Total	Intangible assets under development
Gross carrying amount					
Balance as at March 31, 2022	387.31	13,459.20	20,314.33	34,160.84	3,895.29
Additions	55.39	-	-	55.39	2,881.43
Transfer from intangible assets under development	-	2,081.48	1,568.59	3,650.07	(3,650.07)
Disposals / adjustments	(39.85)	-	-	(39.85)	(96.90)
Balance as at March 31, 2023	402.85	15,540.68	21,882.92	37,826.45	3,029.75
Additions	37.97	-	-	37.97	3,239.04
Transfer from intangible assets under development	1.05	737.11	1,502.36	2,240.52	(2,240.52)
Disposals / adjustments	(0.27)	-	-	(0.27)	(49.48)
Balance as at March 31, 2024	441.60	16,277.79	23,385.28	40,104.67	3,978.79
Accumulated amortization					
As at March 31, 2022	296.31	7,766.18	12,919.81	20,982.30	-
Amortization charge for the year	49.26	1,558.74	1,889.19	3,497.19	-
Disposals / adjustments	(39.77)	-	-	(39.77)	-
Balance as at March 31, 2023	305.80	9,324.92	14,809.00	24,439.72	-
Amortization charge for the year	53.03	1,531.01	1,836.33	3,420.37	-
Disposals / adjustments	(0.27)	-	-	(0.27)	-
Balance as at March 31, 2024	358.56	10,855.93	16,645.33	27,859.82	-
Net carrying amount					
As at March 31, 2023	97.05	6,215.76	7,073.92	13,386.73	3,029.75
Net carrying amount					
As at March 31, 2024	83.04	5,421.86	6,739.95	12,244.85	3,978.79

Notes-

- Amortization pertaining to software used for manufacture of moulds has been capitalized during the year amounting to Rs 1.22 Lakhs (Previous year Rs 1.13 Lakhs).
- Consists of capitalised product development costs being an internally generated intangible asset.
- Intangible assets under development comprises of technical know how and product development cost incurred by the Company.



iv) Intangible assets under development

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2024

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,161.79	680.42	794.96	341.62	3,978.79
Projects temporarily suspended	-	-	-	-	-
Total	2,161.79	680.42	794.96	341.62	3,978.79

As at March 31, 2023

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,473.46	1,133.80	287.75	134.74	3,029.75
Projects temporarily suspended	-	-	-	-	-
Total	1,473.46	1,133.80	287.75	134.74	3,029.75

(b) Completion schedule for intangible assets under development whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Air conditioning kit	508.52	-	-	-	508.52
- Heating, ventilation, and air conditioning (HVAC) system	774.12	24.55	-	-	798.67
- Compressor	242.46	-	-	-	242.46
- Hose & Tubes	-	-	-	-	-
- Condensor	90.95	492.08	-	-	583.03
- Radiator	-	-	-	-	-
- Rear air conditioning system	-	-	-	-	-
Total	1,616.05	516.63	-	-	2,132.68

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Air conditioning kit	544.81	-	-	-	544.81
- Heating, ventilation, and air conditioning (HVAC) system	661.17	15.27	-	-	676.44
- Compressor	60.40	8.90	-	-	69.30
- Hose & Tubes	65.43	-	-	-	65.43
- Condensor	567.83	-	-	-	567.83
- Radiator	295.05	-	-	-	295.05
- Rear air conditioning system	5.96	-	33.33	-	39.29
Total	2,200.65	24.17	33.33	-	2,258.15

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

Significant estimates:

- A. Appropriateness of capitalization of internal development costs related to Intangible assets under development
In relation to capitalisation of internal development costs in relation to intangible assets under development, significant judgement has been made by the management in the determination of –
- whether the costs incurred is towards development of product or in the nature of research,
 - the costs, including payroll costs, were directly attributable to relevant projects, and
 - key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalised.
- B. Estimated useful life of intangible assets
The estimated useful lives of intangible assets are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) to obtain the expected future cash flows from the asset.

5(a). Non-current investments - Investment accounted for using the equity method**(All amounts in Rs. Lakhs, unless otherwise stated)*

Name of the entity and equity contribution	Place of business/ country of incorporation	% of ownership interest	Accounting method	Principal activities	Carrying amount as at March 31, 2024	Carrying amount as at March 31, 2023
Denso Subros Thermal Engineering Centre India Private Limited [1,767,999 (March 31, 2023: 1,767,999) fully paid up equity shares of Rs. 10 each]	India	26%	Equity method	Providing application design services primarily to Subros Limited and to other entities related to the Denso Group.	189.38	205.04
Add:- Share of net profit of joint venture accounted for using equity method					8.16	11.74
Add:- Share of other comprehensive income of joint venture accounted for using equity method					(1.54)	0.83
Less: Dividend income received during the year					(12.58)	(28.23)
Total equity accounted investment					183.42	189.38

* Unlisted entity - no quoted price available.

Summarized financial information for joint venture

The table below provide summarized financial information for joint venture. The information disclosed reflects the amounts presented in the financial statements of joint venture.

Summarized Balance Sheet of:-**Denso Subros Thermal Engineering Centre India Private Limited***(All amounts in Rs. Lakhs, unless otherwise stated)*

Description	As at March 31, 2024	As at March 31, 2023
Current assets		
Financial assets		
(i) Trade receivables	192.34	242.24
(ii) Cash and cash equivalents	647.78	680.65
(iii) Other financial assets	9.71	9.44
Other current assets	208.81	188.65
Total current assets	1,058.64	1,120.98
Total non-current assets	277.81	350.43
Current liabilities		
Financial liabilities		
(i) Lease liabilities	20.02	11.35
(ii) Trade payables	75.64	116.04
(ii) Other financial liabilities	66.67	90.88
Other current liabilities	53.35	114.02
Short-term provisions	332.39	316.30
Total current liabilities	548.07	648.59
Total non-current liabilities	82.91	94.45
Net assets	705.47	728.37



Reconciliation to Carrying Amounts*(All amounts in Rs. Lakhs, unless otherwise stated)*

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening net assets	728.37	788.56
Profit for the year	31.39	45.19
Other comprehensive income	(5.92)	3.18
Dividend paid on equity shares	(48.37)	(108.56)
Closing net assets	705.47	728.37
Company's share in %	26%	26%
Company's share in INR Lakhs	183.42	189.38
Carrying amount	183.42	189.38

Summarized Statement of Profit and Loss*(All amounts in Rs. Lakhs, unless otherwise stated)*

Description	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations	1,747.59	1,761.49
Other income	45.88	53.06
Employee benefits expense	(1,171.26)	(1,045.42)
Finance costs	(4.20)	(4.69)
Depreciation and amortization expense	(48.70)	(57.64)
Other expenses	(506.83)	(636.06)
Income tax expenses	(31.09)	(25.55)
Profit for the year	31.39	45.19
Other comprehensive income	(5.92)	3.18
Total comprehensive income	25.47	48.37

Note:

- There are contingent liabilities related to joint venture amounting to Rs. 23.63 Lakhs as on March 31, 2024 (March 31, 2023: Rs. 14.44 Lakhs).
- There are no commitments related to joint venture as on March 31, 2024 and March 31, 2023.

5(b). Financial assets**Accounting policies****(i) Classification of financial assets at amortised cost**

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, loans, bank deposits and security deposits.

(ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities (listed and unlisted) which are not held for trading, and for which the company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. There are currently no equity securities which are carried at FVOCI.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets. There are currently no debt securities which are carried at FVOCI.

(iii) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVTPL):

- investment in mutual funds and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Derivatives

The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in Statement of Profit and Loss immediately.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Refer note 39(xi) for the remaining relevant accounting policies.

5(b)(i). Non-current investments - Investment in equity instruments*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in equity instruments (at fair value through profit or loss)		
Unquoted (fully paid- up)		
Amplus Green Power Private Limited	299.98	299.98
1,719,061 (March 31, 2023: 1,719,061) Fully paid up equity shares of Rs. 17.45 each		
Total investments	299.98	299.98
Aggregate value of unquoted investments	299.98	299.98
Aggregate amount of impairment in the value of investments	-	-

5(b)(ii). Current investments - Investment in mutual funds*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in mutual fund (at fair value through profit or loss)		
Unquoted		
Nil (March 31, 2023: 1,661,907.84) units of Nippon India Overnight Fund - Direct Growth Plan	-	2,000.00
Total investments	-	2,000.00
Aggregate value of unquoted investments	-	2,000.00
Aggregate amount of impairment in the value of investments	-	-

5(b)(iii). Trade receivables**Accounting policy**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Refer note 22(b) for a description of the Company's impairment policies.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables from contract with customers - billed	24,216.16	16,249.87
Trade receivables from contract with customers - unbilled*	3,849.37	4,703.06
Receivables from related parties (Refer note 24)	350.93	4.52
Less: Loss allowance	(97.99)	(152.87)
Total trade receivables	28,318.47	20,804.58
Current portion	28,318.47	20,804.58
Non-current portion	-	-

* The receivable is unbilled because Company has not yet issued an invoice, however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Breakup of security details*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	28,358.18	20,838.44
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	58.28	119.01
Total	28,416.46	20,957.45
Loss allowance	(97.99)	(152.87)
Total trade receivables	28,318.47	20,804.58



Ageing of Trade Receivables as on March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
– considered good	3,849.37	23,233.18	1,167.86	76.12	24.80	3.84	3.01	28,358.18
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	58.28	58.28
Total	3,849.37	23,233.18	1,167.86	76.12	24.80	3.84	61.29	28,416.46

Ageing of Trade Receivables as on March 31, 2023

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment					Total
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
– considered good	4,703.06	13,967.67	2,044.08	85.34	19.81	4.82	13.66	20,838.44
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	119.01	119.01
Total	4,703.06	13,967.67	2,044.08	85.34	19.81	4.82	132.67	20,957.45

5(b)(iv). Cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
- In current accounts	3,907.32	2,556.05
Cash on hand	8.38	10.57
Deposit with original maturity of less than 3 months	-	500.00
Total cash and cash equivalents	3,915.70	3,066.62

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

5(b)(v). Bank balances other than cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with banks		
Unpaid dividend account	19.42	22.63
Others		
Deposits with original maturity of more than three months but less than 12 months	8,300.00	5,750.00
Total bank balances other than cash and cash equivalents	8,319.42	5,772.63

5(b)(vi). Loans

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Loans to employees	65.48	11.81	66.24	17.02
Total loans	65.48	11.81	66.24	17.02

Breakup of security details*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Loans considered good - Secured	-	-
Loans considered good - Unsecured	77.29	83.26
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	77.29	83.26
Loss allowance	-	-
Total loans	77.29	83.26

5(b)(vii). Other financial assets*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Security deposits				
Related parties (refer note 24)	-	263.46	-	263.46
Others	13.27	700.65	108.49	663.90
Deposits with maturity of more than 12 months	-	-	-	2,500.00
Interest accrued on bank deposits	309.73	-	82.74	32.63
Total other financial assets	323.00	964.11	191.23	3,459.99

6. Tax Expense

a) Income tax expense in the Statement of Profit and Loss comprises:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Tax expense		
Current tax		
Current tax on profits for the year	2,506.02	1,244.80
Adjustments for current tax of prior periods	0.94	(27.09)
Total current tax expense	2,506.96	1,217.71
Deferred tax		
Minimum Alternate Tax (MAT) credit utilisation	2,736.87	1,688.65
Decrease / (increase) in deferred tax assets	242.62	108.75
(Decrease) / increase in deferred tax liabilities	(1,182.62)	(722.16)
Total deferred tax expense / (benefit)	1,796.87	1,075.24
Total tax expense / (credit)	4,303.83	2,292.95

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax	14,065.70	7,085.02
Computed tax expense at applicable tax rate of 34.944% (previous year 34.944%)	4,915.12	2,475.79
Tax effect of :		
Tax effects of the amounts which are not deductible in calculating taxable income	52.36	58.41
Adjustment on account of remeasurement (Refer note 2 below)	(664.59)	(214.16)
Income tax provision reversal of prior year	0.94	(27.09)
Tax expense recognized in Statement of Profit and Loss	4,303.83	2,292.95

The tax of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Opening balance	Recognized in Profit or loss - Credit/(charge)	Recognized in Other Comprehensive Income - Credit/(charge)	Closing Balance
2022-23				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	8,625.11	413.12	-	8,211.99
Right-of-use assets	169.76	94.88	-	74.88
Adjustment on account of remeasurement (net) (Refer note 2 below)	(1,126.88)	214.16	-	(1,341.04)
Total deferred tax liability (A)	7,667.99	722.16	-	6,945.83



Particulars	Opening balance	Recognized in Profit or loss- Credit/(charge)	Recognized in Other Comprehensive Income -Credit/(charge)	Closing Balance
Deferred tax assets in relation to:				
Expenses deductible in future years	524.35	(7.86)	-	516.49
Lease liabilities	285.11	(100.89)	-	184.22
Remeasurement of post employment benefit obligations	147.59	-	(8.06)	139.53
Total deferred tax assets (B)	957.05	(108.75)	(8.06)	840.24
Deferred tax liability(net) (C) = (A) - (B)	6,710.94	613.41	(8.06)	6,105.59
Minimum alternative tax credit (D)	4,425.52	(1,688.65)	-	2,736.87
Deferred tax liabilities/(assets) (net) (C) -(D)	2,285.42	(1,075.24)	(8.06)	3,368.72
2023-24				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	8,211.99	2,457.48	-	5,754.51
Right-of-use assets	74.88	66.18	-	8.70
Adjustment on account of remeasurement (net) (Refer note 2 below)	(1,341.04)	(1,341.04)	-	-
Total deferred tax liability (A)	6,945.83	1,182.62	-	5,763.21
Deferred tax assets in relation to:				
Expenses deductible in future years	516.49	(180.75)	-	335.74
Lease liabilities	184.22	(61.87)	-	122.35
Remeasurement of post employment benefit obligations	139.53	-	81.32	220.85
Total deferred tax assets (B)	840.24	(242.62)	81.32	678.94
Deferred tax liability(net) (C) = (A) - (B)	6,105.59	940.00	81.32	5,084.27
Minimum alternative tax credit (D)	2,736.87	(2,736.87)	-	-
Deferred tax liabilities/(assets) (net) (C) -(D)	3,368.72	(1,796.87)	81.32	5,084.27

Note:

- Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.
- In financial year (FY) 2019-20, the tax laws were amended, providing an option to pay tax at 22% plus applicable surcharge and cess ("New Rate") effective April 1, 2019, with a condition to surrender specified deductions / incentives.

During the FY 2023-24, the Company has utilized the entire Minimum Alternate Tax credit balance and will opt for the New Rate from FY 2024-25. The Company re-measured its deferred tax balances accordingly with an impact (deferred tax credit) of Rs. 664.59 Lakhs for the year ended March 31, 2024 (March 31, 2023: Rs. 214.16 Lakhs).

Significant estimate:

The deferred tax asset mainly comprises of Minimum Alternate Tax (MAT) credit which can be carried forward for a period of 15 years as per the provisions of the Income Tax Act, 1961. The Company has been consistently earning profits and is currently liable to pay Income Tax under normal provisions of Income Tax Act, 1961. As at March 31, 2023, the Company had concluded that the MAT credit will be recoverable using the estimated future taxable income based on the approved business plans and budgets. As at March 31, 2024, the MAT credit has been utilised.

7. Other assets

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-current	Current	Non-current
Capital advances	-	179.50	-	705.84
Advance to suppliers				
-Related party (refer note 24)	0.56	-	0.55	-
-Others	752.07	-	1,087.72	-
Prepaid expenses	719.29	-	626.39	-
Recoverable from statutory authorities	794.38	-	986.37	-
Total other assets	2,266.30	179.50	2,701.03	705.84

8. Inventories

Accounting policy

Assigning costs to inventories

The costs of individual items of inventory are determined on a weighted average cost basis.

Refer note 39(x) for the other accounting policies relevant to inventories.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw material and spares*	28,585.62	26,380.50
Work-in progress	4,808.46	3,706.09
Finished goods	968.74	938.31
Stores	3,142.78	2,839.57
Total Inventories	37,505.60	33,864.47

* Net of provision for inventory obsolescence amounting to Rs. 431.19 Lakhs as at March 31, 2024 (March 31, 2023: Rs. 581.89 Lakhs).

An amount of Rs. 150.70 lakhs has been written back during the year ended March 31, 2024 (Rs. 153.55 lakhs has been provided during the year ended March 31, 2023) and included in 'cost of material consumed' in Statement of Profit and Loss.



Inventory includes in transit inventory of:-*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Raw material and spares	3,166.70	3,885.60
Finished goods	396.55	426.10

Significant estimate:

The provision for inventory obsolescence is based on assumptions about usability / saleability of inventory. The Company reviews the provision for inventory obsolescence at the end of each reporting period.

9. Non-current tax assets (net)*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax (net of provisions - March 31, 2024: Rs 9,664.76 Lakhs; March 31, 2023: Rs 9,664.76 Lakhs)	211.71	241.55
Total non-current tax assets	211.71	241.55

10. Equity**10(a). Equity share capital***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Authorized share capital 125,000,000 (as at March 31, 2023 : 125,000,000) equity shares of Rs. 2 each	2,500.00	2,500.00
Issued share capital 65,241,450 (as at March 31, 2023 : 65,241,450) equity shares of Rs. 2 each	1,304.83	1,304.83
Subscribed and paid up share capital 65,235,750 (as at March 31, 2023 : 65,235,750) equity shares of Rs. 2 each, fully paid up	1,304.71	1,304.71
Total	1,304.71	1,304.71

A. Reconciliation of the shares outstanding at the beginning and at the end of the year*(All amounts in Rs. Lakhs, unless otherwise stated)*

Equity shares	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	65,235,750	1,304.71	65,235,750	1,304.71
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	65,235,750	1,304.71	65,235,750	1,304.71

B. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

C. Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of holding	Number of shares held	% of holding
Deeksha Holding Limited	10,137,760	15.54%	10,137,760	15.54%
Jyotsna Holding Private Limited	3,448,000	5.28%	3,448,000	5.28%
R R Holdings Private Limited	3,208,000	4.92%	3,208,000	4.92%
Shradha Suri	5,587,040	8.57%	5,587,040	8.57%
Denso Corporation	13,047,150	20.00%	13,047,150	20.00%
Suzuki Motor Corporation	7,800,000	11.96%	7,800,000	11.96%



D. Details of shareholding of promoters :

Name of the promoter	As at March 31, 2024			As at March 31, 2023		
	Number of shares	% total shares	% Change during the year	Number of shares	% total shares	% Change during the year
Shradha Suri	5,587,040	8.57%	0.00%	5,587,040	8.57%	0.00%
Deeksha Holding Limited	10,137,760	15.54%	0.00%	10,137,760	15.54%	0.00%
Jyotsna Holding Private Limited	3,448,000	5.28%	0.00%	3,448,000	5.28%	0.00%
R.R. Holdings Private Limited	3,208,000	4.92%	0.00%	3,208,000	4.92%	0.00%
JS Family Trust	1,619,200	2.48%	0.00%	1,619,200	2.48%	100.00%
Jyotsna Suri	-	0.00%	0.00%	-	0.00%	-100.00%

**10(b). Other equity
Reserves and surplus***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	20,817.44	20,817.44
General reserve	12,875.48	12,725.48
Retained earnings	60,595.51	51,879.35
Total other equity	94,288.43	85,422.27

i) Securities premium*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	20,817.44	20,817.44
Issue of equity shares	-	-
Closing balance	20,817.44	20,817.44

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

ii) General reserve*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	12,725.48	12,575.48
Transfer from retained earnings	150.00	150.00
Closing balance	12,875.48	12,725.48

General reserve is the retained earnings of a Company which is kept aside out of the Company's profits to meet future (known or unknown) obligations.

iii) Retained earnings*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	51,879.35	47,678.11
Add: Profit for the year	9,761.87	4,792.07
Less: Remeasurement gain / (loss) on post employment benefit obligation, net of tax	(243.35)	15.82
Less: Appropriations		
Transfer to general reserve	(150.00)	(150.00)
Dividend on equity shares	(652.36)	(456.65)
Closing balance	60,595.51	51,879.35

During the year, a dividend of Rs. 1 per share, total dividend Rs. 652.36 Lakhs (previous year: Rs. 0.70 per share, total dividend Rs. 456.65 Lakhs) was paid to equity shareholders.

The Board of Directors recommended a final dividend of Rs. 1.8 per share (nominal value of Rs. 2 per share) for the financial year 2023-24 (March 31, 2023: Rs. 1 per share for the financial year 2022-23). This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Consolidated Financial Statements. The total estimated dividend to be paid is Rs. 1,174.24 Lakhs (March 31, 2023: Rs. 652.36 Lakhs).



11. Financial liabilities**11(a). Non-current borrowings***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term loans		
Indian Rupee loans from banks	-	1,339.51
Total Non-current borrowings	-	1,339.51
Less: Current maturities of long term debt [included in note 11(b)]	-	867.06
Less: Interest accrued [included in note 11(b)]	-	3.70
Non-current borrowings	-	468.75

Borrowings	Security (Refer Note Below)	As at March 31, 2024	As at March 31, 2023	Maturity date	Terms of repayment	Coupon/ Interest rate
Indian Rupee loans from banks						
Loan 1	First charge on movable fixed assets other than exclusive charge created over specific movable fixed assets for other loans	-	495.54	Not applicable (March 31, 2023: August, 2023)	Not applicable (March 31, 2023: Fourteen quarterly equal instalments commencing from November, 2019)	Not applicable (March 31, 2023: REPO + 200 bps)
Loan 2	Exclusive charge over specific movable fixed assets	-	843.97	Not applicable (March 31, 2023: June, 2025)	Not applicable (March 31, 2023: Sixteen quarterly equal instalments commencing from September, 2021)	Not applicable (March 31, 2023: 3 Month MIBOR)
Total		-	1,339.51			

Note: Refer note 3(vi) for carrying amount of assets pledged as security.

11(b). Current borrowings*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
From banks		
Current maturities of long term debt*	-	870.76
Total current borrowings	-	870.76

* Includes interest accrued on long-term borrowings.

Note: The Company has sanctioned working capital limits which have not been availed as at March 31, 2024 and March 31, 2023. (Refer note 22(b) for undrawn banking facilities).

The sanctioned working capital limits are secured against current assets of the Company, both present and future. The carrying amount of current assets pledged as security are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2024	As at March 31, 2023
Current:			
First Charge			
Inventories	8	37,505.60	33,864.47
Financial assets			
- Trade receivables	5(b)(iii)	28,318.47	20,804.58
- Cash and cash equivalents	5(b)(iv)	3,915.70	3,066.62
- Other bank balances	5(b)(v)	8,300.00	5,750.00
- Loans	5(b)(vi)	65.48	66.24
- Other financial assets	5(b)(vii)	323.00	191.23
Other current assets	7	2,266.30	2,701.03
Total current assets offered as security		80,694.55	66,444.17



11(c). Other financial liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Capital creditors*	1,375.60	422.34
Interest accrued	9.82	9.67
Security deposit received		
-Related party (refer note 24)	6.14	6.14
-Others	50.99	47.99
Unclaimed dividend**	19.42	22.63
Derivative liability	226.95	32.15
Others		
Due to director (refer note 24)	301.55	152.73
Payable to employees	2,708.10	1,427.89
Total	4,698.57	2,121.54

* Includes Rs. 104.31 Lakhs (March 31, 2023: Rs. 104.06 Lakhs) payable to related parties. Refer note 24.

** The Company has deposited an amount of Rs. 4.93 Lakhs (Previous year Rs. 4.42 Lakhs) during the year in Investor Education and Protection Fund. Further, no amount is pending for deposition in Investor Education and Protection Fund.

11(d). Trade payables*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
Trade payables: micro and small enterprises (refer Note 36)	79.53	118.42
Trade payables: others	40,958.45	46,852.18
Trade payables to related parties (refer note 24)	9,399.52	1,900.97
Total	50,437.50	48,871.57

Ageing of trade payables as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	1.55	77.98	-	-	-	-	79.53
- Others	5,775.73	39,050.13	5,451.21	61.97	12.34	6.59	50,357.97
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	5,777.28	39,128.11	5,451.21	61.97	12.34	6.59	50,437.50

Ageing of trade payables as at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	9.00	109.20	0.19	0.03	-	-	118.42
- Others	5,312.80	35,278.21	8,089.28	46.07	23.86	2.93	48,753.15
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	5,321.80	35,387.41	8,089.47	46.10	23.86	2.93	48,871.57

11 (e). Current tax liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31,2023
Opening balance	237.76	-
Current tax payable for the year	2,506.02	1,244.80
Less:- Taxes paid	2,654.11	1,007.04
Closing balance	89.67	237.76

11(f). Other non-current liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31,2023
Government grants		
Opening balance	248.27	76.79
Grants received during the year	379.21	171.48
Less: Released to profit or loss (Refer note 15)	(259.97)	-
Less: Adjusted from the cost of the related assets (Refer note 3)	(367.51)	-
Closing balance	-	248.27
Current portion	-	-
Non-current portion	-	248.27

Note: This pertains to government grant received from Ozone Cell, Ministry of Environment, Forest and Climate Change, Government of India related to 'India HCFC Phase-out Management Plan Stage II' at Nalagarh plant. The conditions relating to the grant required the Company to invest in acquisition of property, plant and equipment under the scheme and also incur incremental operating costs to phase out the consumption of HCFCs (Hydrochlorofluorocarbons). These conditions have been complied with during the year ended March 31, 2024.

Accordingly, part of the grant received has been netted off from cost of property, plant and equipment included in plant and machinery amounting to Rs 367.51 Lakhs and an amount of Rs. 52.61 Lakhs received has been recognized in Other income (Refer note 15) as it relates to cost of property, plant and equipment already depreciated and costs expensed off in the Statement of Profit and Loss in earlier years

Further, an amount of Rs 207.36 Lakhs has been received during the year ended March 31, 2024 as a part of the aforesaid grant pertaining to compensation for incremental operating costs incurred for reduction of consumption of HCFCs and recognized in Other income (Refer note 15).

The Company has also benefited from other forms of government assistance as mentioned in note 15 & 18.

11 (g). Supplier's credit*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31,2023
Supplier's credit	2,971.60	6,274.58
Total	2,971.60	6,274.58

Note: Supplier's credit represents the arrangement where suppliers of goods and services are initially paid by Receivables Exchange of India/bank and settlement with the Receivables Exchange of India/bank are normally effected within a period of 90 days.

12. Provisions*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024		As at March 31,2023	
	Current	Non- Current	Current	Non- Current
Provision for employee benefits:				
Provision for leave encashment (refer note 28)	389.83	-	325.26	-
Provision for gratuity (refer note 28)	-	1,177.70	-	881.49
Provision for warranty	263.19	175.46	255.73	170.49
Total	653.02	1,353.16	580.99	1,051.98

i) Information about individual provisions and significant estimates**Provision for employee benefits:**

The provision for employee benefits include leave encashment and gratuity (refer note 28 and 39(xviii)).



Provision for warranty:

Significant estimate: Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. The Company generally offers 24 months warranties for its products. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

ii) Movement in provision for warranty*(All amounts in Rs. Lakhs, unless otherwise stated)*

For the year ended March 31, 2023	
Balance as at April 1, 2022	414.65
Charged/(credited) to profit or loss	
Additional provisions recognized	169.13
Unwinding of discount on provision for warranty	8.48
Discounting of additional provision recognized	(8.98)
Amounts utilized during the year	(157.06)
Balance as at March 31, 2023	426.22
For the year ended March 31, 2024	
Balance as at April 1, 2023	426.22
Charged/(credited) to profit or loss	
Additional provisions recognized	249.14
Unwinding of discount on provision for warranty	10.68
Discounting of additional provision recognized	(11.18)
Amounts utilized during the year	(236.21)
Balance as at March 31, 2024	438.65

Sensitivity analysis

As at March 31, 2024, provision for warranty had a carrying amount of Rs. 438.65 Lakhs (March 31, 2023: Rs. 426.22 Lakhs). Were warranty claim costs to differ by 10% of the management's estimates, the provision would be an estimated Rs. 43.87 Lakhs higher or lower (March 31, 2023: Rs. 42.62 Lakhs higher or lower).

13 (a). Contract liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liabilities	809.66	838.35
Total	809.66	838.35

Notes:

- Contract liabilities represent payments received from the customers in excess of the goods sold by the Company.
- During the year ended March 31, 2024, the Company recognised revenue of Rs. 433.71 Lakhs arising from opening contract liabilities as of April 01, 2023. During the previous year, the Company recognised revenue of Rs. 2,333.18 Lakhs arising from opening contract liabilities as at April 01, 2022.

13 (b). Other current liabilities*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	2,926.85	2,114.04
Total	2,926.85	2,114.04

14. Revenue from operations**Accounting policy****a) Sale of goods**

The Company manufactures and sells thermal products for automotive and home air-conditioning original equipment manufacturers. Revenue from sale of goods is recognized when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the customer location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.



The goods are sold to after-market customers with rebates / discounts based on sales targets over a 12 months period. Revenue from these sales is recognized based on the price specified in the contract, net of the estimated rebates / discounts. Accumulated experience is used to estimate and provide for the rebates / discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are made with credit terms, which vary from 30 days to 60 days, which is consistent with market practice. The Company's obligation to repair or replace faulty products under the standard warranty terms is recognized as a provision, see note 12.

A receivable is recognized when the goods are delivered and accepted by the Customer as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract liability is recognized where payments received from the customers exceed the goods sold by the Company.

b) Sale of services

Income from services rendered is recognized based on agreements/arrangements with the customers on the performance of service. Revenue from services is recognized in the accounting period in which the services are rendered. Revenue is recognised to the amount to which the Company has a right to invoice.

If the services rendered by the Company exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

c) Financing component

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with customers		
- Sale of products	305,941.63	279,513.26
- Sale of services	147.30	467.24
Other operating revenues		
- Sale of scrap	968.13	647.67
Total	307,057.06	280,628.17

Note 1: Unsatisfied contracts:

The following table shows unsatisfied performance obligation resulting from contracts:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at reporting date	809.66	838.35

Management expects that transaction price allocated to unsatisfied contracts as of March 31, 2024 will be recognized as revenue during the next reporting period.

Note 2: Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract Price	308,217.89	282,243.98
Adjustments for:		
- Rebate/discounts	(1,160.83)	(1,615.81)
Revenue from Operations	307,057.06	280,628.17

Note 3: The Company has disaggregated revenue from contracts with customers based on nature of revenue i.e. sale of products and sale of services. The Company does not have reportable segment. Refer note 23.

Note 4: The Company derives revenue from transfer of goods and services at a point of time after acceptance from customers.

Note 5: No significant judgements have been made by the Company in applying Ind AS 115 that significantly affect the determination of the amount and timing of revenue from contracts with customers.

15. Other income

Accounting policy

Government grants

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented as net of the related expense.

Government grants relating to the purchase of property, plant and equipment are deducted from the cost of the related assets in arriving at the carrying value of the assets.



(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income on:		
a) Financial assets at amortized cost	646.17	391.71
b) Others	28.65	138.40
Exchange variation on foreign currency transactions (net)	314.08	144.11
Fair value changes on derivatives	(194.80)	367.39
Unwinding of discount on financial asset	6.07	6.36
Rental income	76.99	73.76
Net gain on sale of investments	240.82	131.26
Government grant (Refer note 11(f))	259.97	-
Refund of electricity duty*	-	685.46
Other miscellaneous income	76.58	90.28
Total	1,454.53	2,028.73

* During the previous year ended March 31, 2023, the Company had received a refund of electricity duty amounting to Rs. 685.46 Lakhs for the period February 2010 to January 2020 from Pashchimanchal Vidyut Vitran Nigam Limited, Uttar Pradesh issued vide order dated January 30, 2023 issued by High Court of Allahabad for writ petition filed by the Company in order to receive the same under The Industrial and Service Sector Investment Policy 2004 read with notification no. 276/24-P-3-2018 dated February 5, 2018 issued by Government of Uttar Pradesh. There were no unfulfilled conditions or other contingencies attached to this refund. The Company has also benefited from other forms of government assistance as mentioned in note 11(f) & 18.

16. Cost of material consumed

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material and spares		
Raw material and spares at the beginning of the year	26,380.50	23,075.66
Add: Purchase of raw material and spares	230,065.17	217,095.63
Less: Raw material and spares at the end of the year	28,585.62	26,380.50
Total	227,860.05	213,790.79

Refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.

17. Changes in inventories of finished goods and work in progress

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Finished goods		
Closing balance	968.74	938.31
Less:- Opening balance	938.31	852.38
	30.43	85.93
Work-in-progress		
Closing balance	4,808.46	3,706.09
Less:- Opening balance	3,706.09	5,033.74
	1,102.37	(1,327.65)
(Increase) / decrease	(1,132.80)	1,241.72

18. Employee benefits expense

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus*	24,425.48	21,391.61
Contribution to provident and other funds (refer note 28)**	1,087.52	952.45
Gratuity (refer note 28)	304.36	258.29
Staff welfare expenses	2,591.78	2,170.11
Total	28,409.14	24,772.46

Note:

(i) Government grants

* Net of government grants related to refund of 50% of minimum stipend prescribed by Board of Apprenticeship Training (Northern Region) amounting to Rs. 152.16 Lakhs (March 31, 2023: Rs. 280.63 Lakhs).

** Net of government grants related to payment of employer's contribution towards Employees Provident Fund and Employees Pension Scheme for the new employment, paid by government of India under the Pradhan Mantri Rojgar Protsahan Yojana amounting to Rs. 7.38 Lakhs (March 31, 2023: Rs. 25.37 Lakhs).

There are no unfulfilled conditions or other contingencies attached to these grants. The Company did not benefit directly from any other forms of government assistance except as disclosed in Note 11(f) & 15.

(ii) Refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.



19. Finance costs*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest costs:		
- Loans from banks	481.52	194.22
- Other financing arrangements	381.76	179.14
Exchange differences regarded as an adjustment to borrowing costs	233.45	233.79
Interest on lease liabilities (refer note 27)	45.10	62.08
Other finance costs	25.39	8.48
Total	1,167.22	677.71

20. Depreciation and amortization expense*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	8,121.36	7,385.33
Depreciation of right-of-use assets (refer note 27)	110.20	146.68
Amortization of intangible assets (refer note 4)	3,419.15	3,496.06
Total	11,650.71	11,028.07

Also refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.

21. Other expenses*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores	5,548.50	5,465.93
Power and fuel	3,832.32	3,627.73
Rent (refer note 27)	329.20	346.83
Repair and maintenance: Building	497.80	518.49
Repair and maintenance: Plant and machinery	2,347.12	2,076.77
Repair and maintenance: Others	495.32	410.55
Rates, taxes and fees	63.13	34.17
Insurance	614.64	608.51
Royalty	4,153.67	3,333.12
Warranty expenses	237.96	160.15
Selling and distribution expenses	4,781.20	4,300.78
Legal and professional charges	405.57	399.99
Vehicle running and maintenance	152.54	145.47
Travelling and conveyance	709.12	576.20
Payment to auditors [refer note 21(a) below]	64.31	56.73
Net loss on disposal of property, plant and equipment	92.42	53.51
Corporate social responsibility expenses [refer note 21(b) below]	120.01	150.66
Director's sitting fees	59.55	58.55
Other miscellaneous expenses	1,995.35	1,748.73
TOTAL	26,499.73	24,072.87

Also refer note 31 for expenses capitalized during the year ended March 31, 2024 and March 31, 2023.

21(a). Details of payment to auditors*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Payment to auditors*		
As auditor:		
Audit fees (including limited review)	50.50	50.50
Tax audit fee	1.50	1.50
Certification fee	6.00	1.00
Reimbursement of expenses	6.31	3.73
Total	64.31	56.73

* Excluding applicable taxes



21(b). Corporate social responsibility expenses*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to green plantations	2.05	4.54
Contribution to education for under- privileged children	54.60	48.02
Contribution to skills developments	58.44	77.26
Contribution to social campaign	1.67	4.43
Contribution to paralympic sports	1.00	4.30
Contribution to preventive healthcare	-	10.61
Contribution to technology development	2.25	1.50
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	-
Total	120.01	150.66
<i>Amount required to be spent as per Section 135 of the Act</i>	120.01	150.66
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than above	120.01	150.66
Total	120.01	150.66

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2024	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	120.01	120.01	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2023	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2024
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2024
-	-	-	-

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2023	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	144.86	144.86	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2022	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2023
-	-	5.80	5.80	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2023
-	-	-	-



22. Financial instruments and risk management**22(a). Financial instruments by category**

The carrying value and fair value of financial instruments by categories as of March 31, 2024 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investment	-	299.98	-	299.98
ii) Trade receivables	-	-	28,318.47	28,318.47
iii) Cash and cash equivalents	-	-	3,915.70	3,915.70
iv) Bank balance other than cash and cash equivalents	-	-	8,319.42	8,319.42
v) Loans	-	-	77.29	77.29
vi) Other financial assets	-	-	1,287.11	1,287.11
Total financial assets	-	299.98	41,917.99	42,217.97
Financial liabilities				
i) Borrowings	-	-	-	-
ii) Supplier's credit	-	-	2,971.60	2,971.60
iii) Trade payables	-	-	50,437.50	50,437.50
iv) Other financial liabilities	-	226.95	4,471.62	4,698.57
Total financial liabilities	-	226.95	57,880.72	58,107.67

The carrying value and fair value of financial instruments by categories as of March 31, 2023 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investment	-	2,299.98	-	2,299.98
ii) Trade receivables	-	-	20,804.58	20,804.58
iii) Cash and cash equivalents	-	-	3,066.62	3,066.62
iv) Bank balance other than cash and cash equivalents	-	-	5,772.63	5,772.63
v) Loans	-	-	83.26	83.26
vi) Other financial assets	-	-	3,651.22	3,651.22
Total financial assets	-	2,299.98	33,378.31	35,678.29
Financial liabilities				
i) Borrowings	-	-	1,339.51	1,339.51
ii) Supplier's credit	-	-	6,274.58	6,274.58
iii) Trade payables	-	-	48,871.57	48,871.57
iv) Other financial liabilities	-	32.15	2,089.39	2,121.54
Total financial liabilities	-	32.15	58,575.05	58,607.20

The following tables provides an analysis of financial assets and liabilities that are measured at fair value - recurring fair value measurements, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investment	5(b)(i) & (ii)	-	-	299.98	299.98
Total financial assets		-	-	299.98	299.98
Financial liabilities					
Derivative liability	11(c)	-	226.95	-	226.95
Total financial liabilities		-	226.95	-	226.95

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2023			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investment	5(b)(i) & (ii)	2,000.00	-	299.98	2,299.98
Total financial assets		2,000.00	-	299.98	2,299.98
Financial liabilities					
Derivative liability	11(c)	-	32.15	-	32.15
Total financial liabilities		-	32.15	-	32.15



The following tables provides an analysis of financial assets and liabilities that are measured at amortized cost for which fair values are disclosed, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			Total
		Level 1	Level 2	Level 3	
Financial assets					
Security deposits	5(b)(vii)	-	-	977.38	977.38
Loans to employees	5(b)(vi)	-	-	77.29	77.29
Trade receivables	5(b)(iii)	-	-	28,318.47	28,318.47
Cash and cash equivalents	5(b)(iv)	-	-	3,915.70	3,915.70
Deposits with original maturity of more than three months but less than 12 months	5(b)(v)	-	-	8,300.00	8,300.00
Deposits with maturity of more than 12 months	5(b)(vii)	-	-	-	-
Unpaid dividend account	5(b)(v)	-	-	19.42	19.42
Interest accrued on bank deposits	5(b)(vii)	-	-	309.73	309.73
Total financial assets		-	-	41,917.99	41,917.99
Financial liabilities					
Borrowings	11(a) & 11(b)	-	-	-	-
Supplier's credit	11(g)	-	-	2,971.60	2,971.60
Trade payables	11(d)	-	-	50,437.50	50,437.50
Capital creditors	11(c)	-	-	1,375.60	1,375.60
Interest accrued	11(c)	-	-	9.82	9.82
Security deposit received	11(c)	-	-	57.13	57.13
Unclaimed dividend	11(c)	-	-	19.42	19.42
Others					
Due to directors	11(c)	-	-	301.55	301.55
Payable to employees	11(c)	-	-	2,708.10	2,708.10
Total financial liabilities		-	-	57,880.72	57,880.72

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2023			Total
		Level 1	Level 2	Level 3	
Financial assets					
Security deposits	5(b)(vii)	-	-	1,035.85	1,035.85
Loans to employees	5(b)(vi)	-	-	83.26	83.26
Trade receivables	5(b)(iii)	-	-	20,804.58	20,804.58
Cash and cash equivalents	5(b)(iv)	-	-	3,066.62	3,066.62
Deposits with original maturity of more than three months but less than 12 months	5(b)(v)	-	-	5,750.00	5,750.00
Deposits with maturity of more than 12 months	5(b)(vii)	-	-	2,500.00	2,500.00
Unpaid dividend account	5(b)(v)	-	-	22.63	22.63
Interest accrued on bank deposits	5(b)(vii)	-	-	115.37	115.37
Total financial assets		-	-	33,378.31	33,378.31
Financial liabilities					
Borrowings	11(a) & 11(b)	-	-	1,339.51	1,339.51
Supplier's credit	11(g)	-	-	6,274.58	6,274.58
Trade payables	11(d)	-	-	48,871.57	48,871.57
Capital creditors	11(c)	-	-	422.34	422.34
Interest accrued	11(c)	-	-	9.67	9.67
Security deposit received	11(c)	-	-	54.13	54.13
Unclaimed dividend	11(c)	-	-	22.63	22.63
Others					
Due to directors	11(c)	-	-	152.73	152.73
Payable to employees	11(c)	-	-	1,427.89	1,427.89
Total financial liabilities		-	-	58,575.05	58,575.05

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in the active market. This includes listed equity instruments that have quoted price and open ended mutual funds that have NAV (Net Assets Value) price available in the active market. The fair value of all equity instruments and mutual funds which are traded in the stock exchanges and open market, respectively, is valued using the closing price as at the reporting period end.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There has been no transfer between level 1, level 2 and level 3 for the years ended March 31, 2024 and March 31, 2023.

Valuation technique used to determine fair value : The Company has entered into variety of foreign currency forward contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data. Further, Investment in equity shares included in Level 3 of the fair value hierarchy have been valued using the income approach to arrive at their fair value. In this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of this investment.

All short term financial assets and liabilities like trade receivables, cash and cash equivalents, deposit with banks, trade payables, supplier's credit, capital creditors, security deposit received, payable to employees are stated at amortized cost which is approximately equal to their fair value.

The fair value of borrowings is estimated by discounting expected future cash flows, using a discount rate equivalent to the risk-free rate of return, adjusted for the credit spread considered by the lenders for instruments of similar maturity.

The fair value of loans to employees and security deposits are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

22(b). Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimize operating, financial and strategic risks. The note explains the sources of risk which the entity is exposed to and how the entity manages the risks :

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, deposits with banks, trade receivables, derivative financial instruments, other financial assets measured at amortized cost.	Ageing analysis, credit rating	Diversification of bank deposits, factoring of trade receivables, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

Credit risk

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

For banks and financial institutions, only high rated banks/institutions are accepted. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian banks. In long term credit ratings, these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers and Air-conditioner manufacturer (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of payment due dates is closely monitored on an on-going basis for all customers, thereby practically eliminating the risk of default.

A default on a financial asset is when the counterparty, fails to make contractual payments within the agreed number of days of when they fall due. This definition is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company's historical experience of collecting receivables, supported by the level of default, is that credit risk is low. All customer balances which are overdue for more than 180 days are evaluated for provisioning and considered for impairment on an individual basis. The customer balances are written-off as bad debts, when legal remedies available to the Company are exhausted and / or it becomes certain that said balances will not be recovered.



Reconciliation of loss allowance - Trade receivables:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Loss allowance at the beginning of the year	152.87	151.28
Add / (Less): Changes during the year	(54.88)	1.59
Loss allowance at the end of the year	97.99	152.87

Loss allowance as at March 31, 2024 and March 31, 2023 was determined as follows under the simplified approach:

As at March 31, 2024	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	27,082.55	1,118.67	49.19	65.17	10.95	89.93	28,416.46
Expected loss rate	0.11%	0.57%	1.46%	3.05%	14.06%	64.81%	
Expected credit losses - Trade receivables	29.03	6.43	0.72	1.99	1.54	58.28	97.99
Carrying amount of trade receivables (net of impairment)	27,053.52	1,112.24	48.47	63.18	9.41	31.65	28,318.47

As at March 31, 2023	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	18,670.73	1,046.99	817.31	121.13	143.99*	157.30	20,957.45
Expected loss rate	0.09%	0.46%	1.10%	2.48%	0.00%	75.57%	
Expected credit losses - Trade receivables	17.11	4.85	9.03	3.01	-	118.87	152.87
Carrying amount of trade receivables (net of impairment)	18,653.62	1,042.14	808.28	118.12	143.99*	38.43	20,804.58

*Receivable from Ministry of Railways, which is a due from the government and accordingly no expected provision for credit loss is recognised.

Significant estimate: The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, the Company's finance division monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet the operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Company raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Floating rate:		
-Expiring within one year (cash credit, working capital loans and other facilities)	30,729.98	34,008.25
-Expiring beyond one year (bank loans)	-	4,650.74

(ii) Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Upto 1 year	1-5 Years	More than 5 years	Total
As at March 31, 2024				
Non-derivatives				
Borrowings (including interest)	-	-	-	-
Supplier's credit	2,971.60	-	-	2,971.60
Trade payables	50,437.50	-	-	50,437.50
Other financial liabilities	4,471.62	-	-	4,471.62
Lease liabilities (including interest)	44.78	184.32	835.58	1,064.68
Total non-derivatives liabilities	57,925.50	184.32	835.58	58,945.40
Derivatives (net settled)				
Foreign exchange forward contracts	226.95	-	-	226.95
Total derivatives liabilities	226.95	-	-	226.95
As at March 31, 2023				
Non-derivatives				
Borrowings (including interest)	945.22	502.43	-	1,447.65
Supplier's credit	6,274.58	-	-	6,274.58
Trade payables	48,871.57	-	-	48,871.57
Other financial liabilities	2,089.39	-	-	2,089.39
Lease liabilities (including interest)	86.14	179.95	884.74	1,150.83
Total non-derivatives liabilities	58,266.90	682.38	884.74	59,834.02
Derivatives (net settled)				
Foreign exchange forward contracts	32.15	-	-	32.15
Total derivatives liabilities	32.15	-	-	32.15

Market risk**(i) Foreign currency risk**

The Company has exposure to foreign currency risk on account of its payables. The Company has a foreign currency exchange risk policy to mitigate this risk by entering into appropriate hedging instruments depending on the future outlook on currencies as considered necessary from time to time for which it has entered into derivative financial instruments such as foreign exchange forward contracts.

Foreign currency derivative contracts outstanding as at the end of the reporting period:

Particulars/Purpose	Amount	As at March 31, 2024	As at March 31, 2023
Hedge of foreign currency payables	USD (in Lakhs)	56.00	57.00
	Rs. (in Lakhs)	4,680.05	4,705.36
	JPY (in Lakhs)	8,709.00	9,293.41
	Rs. (in Lakhs)	4,900.24	5,850.25

Particulars of unhedged foreign currency exposure as at the reporting date:

Particulars/Purpose	Amount	As at March 31, 2024	As at March 31, 2023
Trade payables	Euro (in Lakhs)	-	0.13
	Rs. (in Lakhs)	-	10.82
	JPY (in Lakhs)	2,283.51	1,591.00
	Rs. (in Lakhs)	1,323.32	921.39

Foreign currency sensitivity analysis

The Company is mainly exposed to JPY (March 31, 2023: JPY & EURO) since it is unhedged as at reporting date.

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and vice-versa.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	INR strengthens by 10%	INR weakens by 10%	INR strengthens by 10%	INR weakens by 10%
Impact on profit or loss for the year				
JPY impact	132.33	(132.33)	92.14	(92.14)
EURO impact	-	-	1.08	(1.08)



(ii) Interest rate risk**a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	-	1,339.51
Fixed rate borrowings	-	-

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2024		
	Weighed average interest rate %	Balance	% of total loans
Rupee loans from banks	-	-	-

Particulars	As at March 31, 2023		
	Weighed average interest rate %	Balance	% of total loans
Rupee loans from banks	9.17	1,339.51	100%

b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest rates - increase by 50 basis points	-	4.36
Interest rates - decrease by 50 basis points	-	(4.36)

(iii) Price risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company. Due to the competitive market, major OEMs demand price cuts which in turn may affect the profitability of the Company.

The Company has arrangements with its major customers for passing on the price impact. The Company is regularly taking initiatives like VA VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

22(c). Capital management

The Company's objective when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e., Net Debt (total borrowings (including supplier's credit) and lease liabilities net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

Particulars	March 31, 2024	March 31, 2023
Net Debt (In Lakhs)	(457.95)	5,074.65
EBITDA (In Lakhs)	26,883.63	18,790.80
Net Debt to EBITDA	(0.02)	0.27

The Net debt to EBITDA ratio for the current year decreased from 0.27 to (0.02) due to reduction in debt on account of repayment of borrowings during the year ended March 31, 2024.

Loan covenants

Under the terms of the major borrowings facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.



Dividends

Particulars	As at March 31, 2024	As at March 31, 2023
On Equity shares of Rs. 2 each		
Final dividend		
Dividend paid (Rs. In Lakhs)	652.36	456.65
Dividend per equity share	1.00	0.70

The Board of Directors recommended a final dividend of Rs. 1.8 per share (nominal value of Rs. 2 per share) for the financial year 2023-24 (March 31, 2023: Rs. 1 per share for the financial year 2022-23). This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Consolidated Financial Statements. The total estimated dividend to be paid is Rs. 1,174.24 Lakhs (March 31, 2023: Rs. 652.36 Lakhs).

23. Segment information

The Company is primarily in the business of manufacturing of thermal products.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment for the Company. Export sales constitute an insignificant portion of total business of the Company. Hence, there is no geographical segment as well.

Entity wide disclosures

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Domestic	Overseas	Total
Revenue from operations			
For the year ended March 31, 2024	307,050.35	6.71	307,057.06
For the year ended March 31, 2023	280,588.85	39.32	280,628.17
Non current segment assets			
As at March 31, 2024	82,718.59	-	82,718.59
As at March 31, 2023	81,626.75	-	81,626.75

- Domestic information includes sales and services rendered to customers located in India.
- Overseas information includes sales and services rendered to customers located outside India.
- Non current segment assets includes property, plant and equipment, right-of-use assets, capital work- in- progress, intangible assets, intangible assets under development and capital advances.
- Revenue from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is Rs. 148,261.55 Lakhs from one customer (previous year: 134,951.93 Lakhs) and Rs. 111,652.58 Lakhs from second customer (previous year: 93,755.76 Lakhs).

24. Related party disclosures**Entity having significant influence over the Company**

Denso Corporation, Japan

Joint venture

Denso Subros Thermal Engineering Centre India Private Limited, India

Key management personnel

Ms. Shradha Suri, Chairperson and Managing Director
 Mr. Parmod Kumar Duggal, Chief Executive Officer and whole time Director
 Ms. Jyotsna Suri, Director
 Mr. Mohammed Asad Pathan, Independent Director (Upto March 31, 2024)
 Mr. Kuttalam Rajagopalan Ramamoorthy, Independent Director (Upto March 31, 2024)
 Mr. Girish Narain Mehra, Independent Director (Upto March 31, 2024)
 Mr. Shailendra Swarup, Independent Director (Upto March 31, 2024)
 Ms. Meena Sethi, Independent Director (Upto March 31, 2024)
 Mr. Arvind Kapur, Independent Director
 Mr. Arjan Kumar Sikri, Independent Director (From April 1, 2024)
 Ms. Deepa Gopalan Wadhwa, Independent Director (From April 1, 2024)
 Mr. Ashok Lavasa, Independent Director (From April 1, 2024)
 Ms. Vanaja Narayanan Sarna, Independent Director (From April 1, 2024)
 Ms. Smita Piyush Mankad, Independent Director (From April 1, 2024)
 Mr. Kenichi Ayukawa, Nominee Director (Upto September 30, 2022)



Mr. Hisashi Takeuchi, Nominee Director (From October 1, 2022)
 Mr. Naohisa Kuriyama, Nominee Director (From March 29, 2023)
 Mr. Tomoaki Yoshimori, Nominee Director
 Mr. Yasuhiro Iida, Alternate Director (From January 25, 2023)
 Mr. Hidemasa Takahashi, Nominee Director (Upto March 29, 2023)
 Mr. Yasuaki Matsunaga, Alternate Director (Upto January 25, 2023)
 Mr. Hemant Kumar Agarwal, Chief Financial Officer
 Mr. Rakesh Arora, Company Secretary (Upto May 31, 2022)
 Mr. Shiv Ram Singh, Company Secretary (From June 1, 2022 to November 15, 2022)
 Mr. Kamal Samtani, Company Secretary (From April 28, 2023)

Close family members of key management personnel

Mr. Keshav Suri, Son of Ms. Jyotsna Suri
 Ms. Pia Marwah, Daughter of Ms. Shradha Suri
 Ms. Bani Marwah, Daughter of Ms. Shradha Suri
 Master Vir Marwah, Son of Ms. Shradha Suri

Entities over which key management personnel and/or their close family members have control or joint control:

SHS Transport Private Limited, India
 Rohan Motors Limited, India
 Hemkunt Service Station Private Limited, India
 Prima Infratech Private Limited, India
 Deeksha Holding Limited, India
 Jyotsna Holding Private Limited, India
 RR Holdings Private Limited, India
 Global Autotech Limited, India
 JS Family Trust

List of other related parties - Post employment benefit plan of the Company

Subros Employees Group Gratuity Cum Life Assurance Trust, India
 Subros Employees Group Superannuation Cum Life Assurance Trust, India

Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties:

(a) Transactions with related parties

(All amounts in Rs. Lakhs, unless otherwise stated)

Relation	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Entity having significant influence over the Company			
Denso Corporation	Sale of goods	3.52	19.42
	Reimbursement of expenses received	-	48.74
	Royalty paid	4,153.67	3,333.12
	Receipt of technical services	896.90	574.50
	Dividend paid	130.47	91.33
Joint venture			
Denso Subros Thermal Engineering Centre India Private Limited	Purchase of intangible assets (Technical knowhow)	622.91	643.82
	Sale of goods	1.15	-
	Rental income	32.50	29.26
	Other income	0.80	0.43
	Reimbursement of expenses received	10.53	11.10
	Dividend received	12.58	28.23

(All amounts in Rs. Lakhs, unless otherwise stated)

Relation	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Key management personnel			
(i) Compensation:			
Ms. Shradha Suri	Short term benefits	516.76	355.69
	Post employment benefits	11.70	11.28
Mr. Parmod Kumar Duggal	Short term benefits	127.34	117.69
	Post employment benefits	4.23	3.59
	Other long term employee benefits	0.39	0.68
Mr. Hemant Kumar Agarwal	Short term benefits	87.88	81.08
	Post employment benefits	4.45	3.57
	Other long term employee benefits	1.24	0.36
Mr. Rakesh Arora	Short term benefits	-	9.37
	Post employment benefits	-	1.13
Mr. Shiv Ram Singh	Short term benefits	-	17.81
	Post employment benefits	-	0.66
	Other long term employee benefits	-	0.35
Mr. Kamal Samtani	Short term benefits	31.85	-
	Post employment benefits	1.20	-
	Other long term employee benefits	0.49	-
Ms. Jyotsna Suri	Short term benefits (sitting fees)	3.00	2.25
Mr. Mohammed Asad Pathan	Short term benefits (sitting fees)	9.45	8.10
Mr. Kuttalam Rajagopalan Ramamoorthy	Short term benefits (sitting fees)	8.25	7.50
Mr. Girish Narain Mehra	Short term benefits (sitting fees)	15.50	15.70
Mr. Shailendra Swarup	Short term benefits (sitting fees)	7.95	8.10
Ms. Meena Sethi	Short term benefits (sitting fees)	9.55	12.20
Mr. Arvind Kapur	Short term benefits (sitting fees)	5.85	4.70
Total compensation to Key management personnel as above	Short term benefits	823.38	640.19
	Post employment benefits	21.58	20.23
	Other long term employee benefits	2.12	1.39
		847.08	661.81
(ii) Others:			
Ms. Shradha Suri	Rent paid	7.64	7.28
	Dividend paid	55.87	39.11
Ms. Jyotsna Suri	Rent paid	30.00	30.00
	Dividend paid	-	11.33
Mr. Arvind Kapur	Dividend paid	0.21	0.15
Close family members of key management personnel			
Mr. Keshav Suri	Rent paid	3.14	3.00
Ms. Pia Marwah	Rent paid	9.60	9.60
Ms. Bani Marwah	Rent paid	9.60	9.60
Master Vir Marwah	Rent paid	9.60	9.60
Contribution to funds			
Subros Employees Group Gratuity Cum Life Assurance Trust	Employer's contribution towards gratuity fund	12.89	10.12
Entities over which key management personnel and/or their close family members have control or joint control:			
Hemkunt Service Station Private Limited	Purchase of materials	8.54	11.14
Prima Infratech Private Limited	Rent paid	269.97	245.41
Prima Infratech Private Limited	Reimbursement of expenses paid	-	3.17
Rohan Motors Limited	Purchase of property, plant and equipment	127.85	43.41
Rohan Motors Limited	Receiving of services	10.71	14.92
Rohan Motors Limited	Rent paid	5.34	16.02
Rohan Motors Limited	Dividend paid	0.06	0.04
Rohan Motors Limited	Sale of goods	3.19	3.65



Relation	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Global Autotech Limited	Sale of goods	502.03	-
Global Autotech Limited	Purchase of materials	27,074.97	-
Global Autotech Limited	Reimbursement of expenses received	2.46	-
SHS Transport Private Limited	Receiving of services	658.48	616.01
SHS Transport Private Limited	Rent paid	4.90	4.67
SHS Transport Private Limited	Dividend paid	9.80	-
Deeksha Holding Limited	Dividend paid	101.38	70.96
Jyotsna Holding Private Limited	Dividend paid	34.48	24.14
JS Family Trust	Dividend paid	16.19	-
RR Holdings Private Limited	Dividend paid	32.08	22.46

(b) Outstanding balances :*(All amounts in Rs. Lakhs, unless otherwise stated)*

Relation	Particulars	As at March 31, 2024	As at March 31, 2023
Entity having significant influence over the Company	Trade payables	2,221.27	1,757.15
Denso Corporation	Trade receivables	-	2.45
Joint venture			
Denso Subros Thermal Engineering Centre India Private Limited	Trade receivables	1.51	1.62
	Other financial liabilities (Capital creditors)	92.44	104.06
	Other financial liabilities (security deposit)	6.14	6.14
Key management personnel:			
Ms. Shradha Suri	Other financial liabilities (due to directors)	301.55	140.07
Ms. Shradha Suri	Other financial assets (security deposit)	3.30	3.30
Ms. Jyotsna Suri	Other financial liabilities (due to directors)	-	0.68
Mr. Mohammed Asad Pathan	Other financial liabilities (due to directors)	-	1.35
Mr. Kuttalam Rajagopalan Ramamoorthy	Other financial liabilities (due to directors)	-	1.35
Mr. Girish Narain Mehra	Other financial liabilities (due to directors)	-	3.29
Mr. Shailendra Swarup	Other financial liabilities (due to directors)	-	2.03
Ms. Meena Sethi	Other financial liabilities (due to directors)	-	2.61
Mr. Arvind Kapur	Other financial liabilities (due to directors)	-	1.35
Close family members of key management personnel			
Master Vir Marwah	Other financial assets (security deposit)	4.35	4.35
Ms Pia Marwah	Other financial assets (security deposit)	4.35	4.35
Ms Bani Marwah	Other financial assets (security deposit)	4.35	4.35
Sh Keshav Suri	Other financial assets (security deposit)	1.36	1.36
Entities over which key management personnel and/or their (close family member) have control or joint control:			
Rohan Motors Limited	Other financial liabilities (Capital creditors)	11.87	-
Rohan Motors Limited	Trade payables	6.83	6.77
SHS Transport Private Limited	Trade payables	125.87	112.68
Hemkunt Service Station Private Limited	Trade payables	2.04	1.70
Prima Infratech Private Limited	Trade payables	0.93	22.67
Global Autotech Limited	Trade payables	7,042.58	-
Global Autotech Limited	Trade receivables	347.73	-
Rohan Motors Limited	Trade receivables	1.69	0.45
SHS Transport Private Limited	Other financial assets (security deposit)	2.33	2.33
Rohan Motors Limited	Other financial assets (security deposit)	6.57	6.57
Prima Infratech Private Limited	Other financial assets (security deposit)	236.75	236.75
Hemkunt Service Station Private Limited	Other financial assets (security deposit)	0.10	0.10
Post employment benefit plan of the Company:			
Subros Employees Group Superannuation Cum Life Assurance Trust, India	Other assets (advances to suppliers)	0.54	0.54
Subros Employees Group Gratuity Cum Life Assurance Trust, India	Other assets (advances to suppliers)	0.02	0.01

Terms and conditions:

- All transactions with related parties are in ordinary course of business and on arm's length basis.
- All outstanding balances are unsecured and will be settled in cash.
- All transactions are exclusive of applicable taxes for which input credit is allowed.



25. Capital commitments

Estimated value of contracts on capital account remaining to be executed and not provided for (net of advances) amounting to Rs. 1,405.52 Lakhs (March 31, 2023: Rs. 3,211.85 Lakhs).

26. Contingent liabilities**(a) Claims against the Company not acknowledged as debts***(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2024	As at March 31, 2023
Sales tax matters	79.74	79.74
Goods and services tax matters	28.59	9.24
Excise matters	75.81	442.25
Custom matters	15.19	15.19
Income tax matters	1,494.08	1,483.21
Claims made by workmen	903.47	783.40

Notes:

- It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.

Significant estimate: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgement by management considering the probability of exposure to potential loss. Judgement includes consideration of experts opinion, facts of the matter, underlying documentation and historical experience. Changes in assumptions about these factors could affect the reported value of contingencies and provisions.

- Guarantees issued by banks on behalf of the Company amounting to Rs. 1,206.51 Lakhs (March 31, 2023: Rs. 935.84 Lakhs).
- Outstanding commitments under letter of credit established by the Company aggregate to Rs. 3,588.31 Lakhs (March 31, 2023: Rs. 6,196.76 Lakhs).

27. Leases**Accounting policy****As a lessee**

The Company leases certain premises and plant and machinery. The lease term is for 11 months - 35 years except in case of leasehold land where lease term is upto 99 years, but may have an extension option as described in (ii)(b) below.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Company obtains the interest rate from its bankers for borrowings for a tenure that is substantially similar to the lease terms, with a similar security and the similar economic environment for leases held by the Company.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short term leases are recognised on a straight-line basis as an expense in Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less.

Refer note 39(vii) for the other accounting policies relevant to leases.

(i) Amounts recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Right-of-use assets		
Leasehold land	3,264.89	3,315.34
Buildings	344.36	404.11
Total	3,609.25	3,719.45

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease liabilities		
Current	45.65	82.84
Non-current	440.50	444.34
Total	486.15	527.18

Additions to the right-of-use assets during the current financial year were Rs. Nil (March 31, 2023: Rs. 2,221.59 Lakhs)



(ii) Amount recognised in the Statement of Profit and Loss

The statement of profit and loss shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of right-of-use assets (refer note 20)		
Leasehold land	50.45	33.97
Buildings	59.75	112.71
Total	110.20	146.68

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense (included in finance costs - refer note 19)	45.10	62.08
Expense relating to short term leases (included in other expenses - refer note 21)	329.20	346.83
Total	374.30	408.91

The total cash outflow for leases (including interest on lease liabilities) for the year ended March 31, 2024 was Rs. 415.33 Lakhs. (March 31, 2023: Rs. 697.62 Lakhs).

(a) Variable lease payments

The Company does not have any leases with variable lease payments.

(b) Extension and termination options

Extension and termination options are included in number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(c) Residual value guarantees

The Company does not provide any residual value guarantee in relation to its leases.

The Company as a lessor

One office premise and one leased factory premise is let out by the Company on operating lease and its cancellable in nature. Lease rental income is set out in note 15 to these Consolidated Financial Statements as "Rental income" in "Other income".

28. Employee benefits

The various benefits provided to employees by the Company are as under:

Defined contribution plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution to Provident Fund*	923.32	815.71
Employer's contribution to Employees State Insurance Scheme*	164.20	136.74

* Included in "Contribution to provident and other funds" in Note 18.

Defined benefit plans and other long term benefits

a) Contribution to gratuity funds - The Company provides for gratuity for employees as per The Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and Company makes contribution to recognized funds in India.

b) Leave encashment/compensated absence - The leave obligations cover the Company's liability for earned leave, sick leave and casual leave. The entire amount of the provisions of Rs. 389.83 Lakhs (March 31, 2023: Rs. 325.26 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	As at March 31, 2024	As at March 31, 2023
Leave obligations not expected to be settled within the next 12 months	347.08	281.04

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

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

Salary risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The principal assumptions used for the purpose of the actuarial valuations were as follows:

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
Discount rate (per annum)	7.25%
Rate of increase in compensation level (per annum)	7.00%
As at March 31, 2023	
Discount rate (per annum)	7.50%
Rate of increase in compensation level (per annum)	7.00%

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

Components of expenses recognized in the Statement of Profit and Loss in respect of:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Current service cost	238.26
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	66.10
Expenses recognized in Statement of Profit and Loss	304.36
For the year ended March 31, 2023	
Current service cost	194.22
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	64.07
Expenses recognized in Statement of Profit and Loss	258.29

Components of expenses recognized in the other comprehensive income in respect of:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	(323.13)
Actuarial gains/(loss) on:	
- changes in demographic assumptions	-
- changes in financial assumptions	(58.13)
- experience variance	(267.04)
- plan asset	2.04



For the year ended March 31, 2023	23.05
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	34.59
-experience variance	(17.00)
-plan asset	5.46

Actuarial (gain) / loss on obligations*(All amounts in Rs. Lakhs, unless otherwise stated)*

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	58.13
Actuarial (gain) / loss arising from experience adjustment	267.04
For the year ended March 31, 2023	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	(34.59)
Actuarial (gain) / loss arising from experience adjustment	17.00

Actuarial gain / (loss) on plan assets*(All amounts in Rs. Lakhs, unless otherwise stated)*

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Return on plan assets, excluding amount recognized in net interest expense	112.76
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(114.80)
Component of defined benefit costs recognized in other comprehensive income	(2.04)
For the year ended March 31, 2023	
Return on plan assets, excluding amount recognized in net interest expense	102.16
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(107.62)
Component of defined benefit costs recognized in other comprehensive income	(5.46)

The current service cost and the interest expense for the year are included in the "Employee benefits expense" in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
Present value of obligation	2,795.79
Fair value of plan assets	1,618.09
Surplus/(deficit)	(1,177.70)
Asset ceiling	-
Net asset/(liability)	(1,177.70)
As at March 31, 2023	
Present value of obligation	2,384.78
Fair value of plan assets	1,503.29
Surplus/(deficit)	(881.49)
Asset ceiling	-
Net asset/(liability)	(881.49)

Note: The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.

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

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Present value of the obligation as at the beginning	2,384.78
Current service cost	238.26
Interest cost	178.86
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	58.13
-Change in financial assumptions	267.04
-experience variance	-
Past service cost	-
Benefits paid	(331.28)
Present value of the obligation as at the end	2,795.79

For the year ended March 31, 2023	
Present value of the obligation as at the beginning	2,270.97
Current service cost	194.22
Interest cost	166.23
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	(34.59)
-Change in financial assumptions	17.00
-experience variance	-
Past service cost	-
Benefits paid	(229.05)
Present value of the obligation as at the end	2,384.78

Movement in the fair value of the plan assets are as follows:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2024	
Fair value of plan assets at the beginning	1,503.29
Interest income	114.80
Employer contribution	-
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	1,618.09
For the year ended March 31, 2023	
Fair value of plan assets at the beginning	1,395.67
Interest income	107.62
Employer contribution	-
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	1,503.29

Major categories of plan assets (as % of total plan assets):

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
Funds managed by insurer	100%
Total	100%
As at March 31, 2023	
Funds managed by insurer	100%
Total	100%

Since it is a funded plan with insurer, hence break up of investment by insurer is not available with the Company, hence not given.

Sensitivity analysis

Significant actuarial assumptions for the determination of employee defined benefit obligation using projected unit credit method are discount rate and expected salary growth rate. The sensitivity analysis below has been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant. Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.



(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2024	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 115.45
Decrease in discount rate by 0.5%	Increase by 124.52
Increase in expected salary growth rate by 0.5%	Increase by 121.77
Decrease in expected salary growth rate by 0.5%	Decrease by 114.65
As at March 31, 2023	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 92.35
Decrease in discount rate by 0.5%	Increase by 99.38
Increase in expected salary growth rate by 0.5%	Increase by 97.34
Decrease in expected salary growth rate by 0.5%	Decrease by 91.23

The fair value of the plan assets is taken as per the account statements of the insurance companies.

The average duration of the employee defined benefit obligation of gratuity fund as at March 31, 2024 is 13.37 years (March 31, 2023 is 13.45 years).

The Company expects that benefit paid during the next financial year would be Rs. 371.81 Lakhs (March 31, 2023: Rs. 296.14 Lakhs).

Maturity Profile of Defined Benefit Obligation

(All amounts in Rs. Lakhs, unless otherwise stated)

Year	Gratuity (Funded)
As at March 31, 2024	
April 1, 2024 - March 31, 2025	210.70
April 1, 2025 - March 31, 2026	177.23
April 1, 2026 - March 31, 2027	181.35
April 1, 2027 - March 31, 2028	282.75
April 1, 2028 - March 31, 2029	197.63
April 1, 2029 - March 31, 2030	187.70
April 1, 2030 Onwards	1,558.43
Total	2,795.79
As at March 31, 2023	
April 1, 2023 - March 31, 2024	249.02
April 1, 2024 - March 31, 2025	151.99
April 1, 2025 - March 31, 2026	143.01
April 1, 2026 - March 31, 2027	149.45
April 1, 2027 - March 31, 2028	237.81
April 1, 2028 - March 31, 2029	163.29
April 1, 2029 Onwards	1,290.21
Total	2,384.78

Significant estimate: Employee benefit obligations are determined using actuarial valuation. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary 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.

29. Research and development expenses

The Company has one in-house Research and Development Centre in Noida, approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. The details of research and development expenses is as under :-

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Capital expenditure	17.21	23.77
Revenue expenditure - charged to Statement of Profit and Loss*	1,135.43	1,039.07
Revenue expenditure - towards development cost	1,770.89	1,534.91
Total	2,923.53	2,597.75

* Net of contract research income

Provision for taxation has been made after taking into account the benefit available on expenditure incurred on Research and Development Centres.

30. Earnings Per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic earnings per share (Rs.)	14.96	7.35
Diluted earnings per share (Rs.)	14.96	7.35
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share (Rs. Lakhs)	9,761.87	4,792.07
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	65,235,750	65,235,750

31. Expenses capitalized

Following construction/development period expenses incurred on making dies and tools and building and developing new product/technology have been capitalized or clubbed with capital work-in-progress or intangible assets under development, as the case may be :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cost of material consumed	1,695.87	1,693.89
Salaries, wages and other amenities to staff	1,612.24	1,483.67
Power and fuel	116.77	111.02
Rent	91.85	63.13
Repair and maintenance	126.21	83.74
Depreciation	56.68	40.28
Other overheads	374.98	356.37
Total	4,074.60	3,832.10

32: Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company and its joint venture for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has sanctioned limits for borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts subject to reconciliations. Refer Note 33 for the reconciliations.

The joint venture does not have any borrowings or sanctioned limits from banks or financial institutions on the basis of security of current assets.

(iii) Wilful defaulter

The Company and its joint venture have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company and its joint venture have no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.



(v) Compliance with number of layers of companies

The Company and its joint venture have complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company and its joint venture have not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The Company and its joint venture have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its joint venture (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company and its joint venture have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company and its joint venture 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.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company and its joint venture have not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of property, plant and equipment and intangible assets

The Company and its joint venture have not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Loans and advances to promoters, directors, Key management personnel (KMPs) and related parties

The Company and its joint venture have not granted any loans and advances promoters, directors, KMPs and related parties during the current or previous year.

33. Reconciliation of stock statements with Consolidated Financial Statements

For the year ended March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/liabilities where differences were observed	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,405.59	36,454.88	(49.29)	Inter-plant goods in transit not considered in return submitted to banks.
June 2023	ICICI Bank	2,000		Trade receivables	28,563.93	29,093.49	(529.56)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
June 2023	Kotak Mahindra Bank	1,000		Trade payables	50,612.30	50,148.45	463.85	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
June 2023	State Bank of India	7,500						
September 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,627.22	36,640.95	(13.73)	Inter-plant goods in transit not considered in return submitted to banks.
September 2023	ICICI Bank	2,000		Trade receivables	33,559.08	33,737.18	(178.10)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
September 2023	Kotak Mahindra Bank	1,000		Trade payables	49,640.72	56,566.32	(6,925.60)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
September 2023	State Bank of India	7,500						

Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/liabilities where differences were observed	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
December 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	39,560.00	39,556.69	3.31	Rounding off difference, amount is immaterial
December 2023	ICICI Bank	2,000		Trade receivables	25,301.47	25,768.34	(466.87)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
December 2023	Kotak Mahindra Bank	1,000		Trade payables	47,786.61	49,202.47	(1,415.86)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
December 2023	State Bank of India	7,500						
March 2024	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	37,581.22	37,505.60	75.62	Inter-plant goods in transit not considered in return submitted to banks. Further, some imported goods in transit considered in return submitted to banks but reversed as an adjustment before closure of books of account.
March 2024	ICICI Bank	2,000		Trade receivables	27,607.81	28,318.47	(710.66)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
March 2024	Kotak Mahindra Bank	1,000		Trade payables	46,397.36	50,437.50	(4,040.14)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
March 2024	State Bank of India	7,500						

33. Reconciliation of stock statements with Consolidated Financial Statements

For the year ended March 31, 2023

(All amounts in Rs. Lakhs, unless otherwise stated)

Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/liabilities where differences were observed	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2022	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	29,811.55	33,687.88	(3,876.33)	Goods in transit inventory and provision for slow moving/non moving inventory not considered in return submitted to banks.
June 2022	ICICI Bank	2,000		Trade receivables	27,503.84	27,616.34	(112.50)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
June 2022	Kotak Mahindra Bank	1,000		Trade payables	46,584.17	52,803.82	(6,219.65)	Payables in respect of goods in transit inventory, services received etc. considered in the books of account but not considered in return submitted to banks.
June 2022	State Bank of India	12,000						
September 2022	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	30,468.52	34,756.97	(4,288.45)	Goods in transit inventory and provision for slow moving/non moving inventory not considered in return submitted to banks.
September 2022	ICICI Bank	2,000		Trade receivables	17,996.72	18,236.73	(239.99)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
September 2022	Kotak Mahindra Bank	1,000		Trade payables	43,039.75	49,738.09	(6,698.34)	Payables in respect of goods in transit inventory, services received etc. considered in the books of account but not considered in return submitted to banks.
September 2022	State Bank of India	12,000						
December 2022	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	32,495.49	36,205.38	(3,709.91)	Goods in transit inventory not considered in return submitted to banks.
December 2022	ICICI Bank	2,000		Trade receivables	14,135.67	14,650.88	(515.21)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
December 2022	Kotak Mahindra Bank	1,000		Trade payables	43,553.82	48,978.03	(5,424.21)	Payables in respect of goods in transit inventory, services received etc. considered in the books of account but not considered in return submitted to banks.
December 2022	State Bank of India	12,000						



Quarter	Name of banks	Aggregate working capital limits sanctioned	Particulars of securities provided	Nature of current assets/liabilities where differences were observed	Amount as reported in the quarterly return/statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
March 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	33,847.25	33,864.47	(17.22)	Goods in transit inventory not considered in return submitted to banks.
March 2023	ICICI Bank	2,000		Trade receivables	20,451.33	20,804.58	(353.25)	Trade receivables overdue more than 90 days and loss allowance not considered in return submitted to banks.
March 2023	Kotak Mahindra Bank	1,000		Trade payables	46,008.74	48,871.57	(2,862.83)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks.
March 2023	State Bank of India	12,000						

34. Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	3,915.70	3,066.62
Non-current borrowings (including current maturities of long term debt and interest)	-	(1,339.51)
Supplier's credit	(2,971.60)	(6,274.58)
Lease liabilities	(486.15)	(527.18)
Net debt	457.95	(5,074.65)

Description	Other assets	Liabilities from financing activities				Net debt
	Cash & cash equivalents	Current borrowings (Excluding current maturities of long term debt)	Non-current borrowings (including current maturities of long term debt and interest)	Supplier's credit	Lease liabilities	
As at March 31, 2022	3,130.58	-	(2,503.27)	(3,518.63)	(815.89)	(3,707.21)
Cash flows	(63.96)	-	1,160.71	(2,755.95)	90.92	(1,568.28)
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	(445.23)	(143.94)	(17.98)	(62.08)	(669.23)
Interest paid	-	445.23	146.99	17.98	62.08	672.28
Other non-cash movements						
- Acquisition of lease	-	-	-	-	(88.40)	(88.40)
- Derecognition of lease	-	-	-	-	286.19	286.19
As at March 31, 2023	3,066.62	-	(1,339.51)	(6,274.58)	(527.18)	(5,074.65)
Cash flows	849.08	-	1,335.81	3,302.98	41.03	5,528.90
Foreign exchange adjustments	-	-	-	-	-	-
Interest expense	-	(858.02)	(69.76)	(160.03)	(45.10)	(1,132.91)
Interest paid	-	858.02	73.46	160.03	45.10	1,136.61
Other non-cash movements						
- Acquisition of lease	-	-	-	-	-	-
- Derecognition of lease	-	-	-	-	-	-
As at March 31, 2024	3,915.70	-	-	(2,971.60)	(486.15)	457.95

35. Additional Information required by Schedule III

(All amounts in Rs. Lakhs, unless otherwise stated)

Name of the entities	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
Company								
Subros Limited								
March 31, 2024	99.81%	95,409.72	99.92%	9,753.71	99.37%	(241.81)	99.93%	9,511.90
March 31, 2023	99.78%	86,537.60	99.76%	4,780.33	94.75%	14.99	99.74%	4,795.32
Joint Venture (Investment as per equity method) - Indian								
Denso Subros Thermal Engineering Centre India Private Limited								
March 31, 2024	0.19%	183.42	0.08%	8.16	0.63%	(1.54)	0.07%	6.62
March 31, 2023	0.22%	189.38	0.24%	11.74	5.25%	0.83	0.26%	12.57
Total								
March 31, 2024	100.00%	95,593.14	100.00%	9,761.87	100.00%	(243.35)	100.00%	9,518.52
March 31, 2023	100.00%	86,726.98	100.00%	4,792.07	100.00%	15.82	100.00%	4,807.89

Refer note 5(a) for details of interest in joint venture company consolidated using equity method of accounting.

36. Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:- [Refer note 11(d)]

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	79.53	118.42
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end (Refer note below)	-	-
(iii) Principal amount paid to suppliers registered under the MSMED ACT, beyond the appointed day during the year (Refer note below)	-	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year (Refer note below)	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year (Refer note below)	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act for payments already made (Refer note below)	-	-
(vii) Further interest remaining due and payable for earlier years (Refer note below)	-	-

Note: Based on confirmations received from MSME vendors confirming that they have waived the interest payable to them under the MSMED Act, no accrual of interest payable under the aforesaid Act has been made.

37. The Supreme Court of India has passed an order dated February 28, 2019 in the matter of The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors in Civil Appeal No. 6221 of 2011 and few other linked cases. In the said order, the Supreme Court has clarified the definition of the Basic Wage under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant financial impact and accordingly, no provision has been made in these Consolidated Financial Statements. The Company and its joint venture will continue to monitor and evaluate their position based on future events and developments.

38. The Consolidated Financial Statements were approved by the Board of Directors and authorized for issue on May 23, 2024.



39. Summary of other accounting policies:**i) Rounding of amounts**

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

ii) Principles of equity accounting**Joint Venture**

Interest in joint venture is accounted for using equity method, after initially being recognized at cost in the Consolidated Balance Sheet.

Under the equity method of accounting, the investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint venture are recognized as a reduction in carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Company and its joint venture are eliminated to the extent of the Company's interest in the joint venture. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the equity accounted investee have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amount of equity accounted investment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount

iii) Segment reporting

The Company is primarily in the business of manufacturing and sale of thermal products (Automotive and home air conditioning systems and parts thereof).

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Refer note 23 for segment information presented.

iv) Foreign currency translation**Functional and presentation currency:**

Items included in the Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (INR), which is Subros Limited's functional and presentation currency.

Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

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

v) Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Note 15 provides further information on how the Company accounts for government grants.

vi) Income tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither

accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

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

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

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as deferred tax asset only to the extent it is probable that sufficient taxable profit will be available to allow all or part of MAT credit to be utilized during the specified period i.e., the period for which such credit is allowed to be utilized.

vii) Leases

As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities includes the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amount expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

As a lessor

Lease income from operating leases where the Company is lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in Balance Sheet based on their nature.

Entity-specific details about the Company's leasing policy are provided in note 27.

viii) Impairment of property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment 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.

ix) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.



x) Inventories

Raw material and spares, work in progress, stores and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and spares and stores comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Entity-specific details about inventories are provided in note 8.

xi) Investments and other financial assets**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the financial asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Foreign exchange gains and losses and impairment gains or losses are recognised in profit or loss. Any gain or loss arising on derecognition is recognised directly in profit or loss.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference

between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Entity-specific details about investments and other financial assets are provided in note 5(b).

xii) Property, plant and equipment

The Company's accounting policy for land is explained in note 3. Historical cost includes expenditure that is directly attributable to the acquisition of items. The cost of self generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses in disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

xiii) Intangible assets

Software

Costs associated with maintaining software are recognised as an expense as incurred.

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Research and development

Research expenditure and development expenditure that do not meet the criteria for capitalization are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Entity-specific details about intangible assets are provided in note 4.

xiv) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

xv) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

xvi) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized as an expense in the period in which these are incurred.

xvii) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax discounting rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.



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

No contingent asset is recognized but disclosed by way of notes to accounts. When the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

xviii) Employee benefits

a. Short term obligations

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

b. Post-employment obligations

Provident fund and Employees' state insurance:

Contributions to defined contribution schemes such as Provident fund and Employees' state insurance are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company pays provident fund contribution to government-administered provident fund. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

Superannuation:

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the plan beyond its monthly contributions which are periodically contributed towards trust fund, the corpus of which is invested with the Life insurance companies.

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions made towards the trust fund, the corpus of which is invested with Life Insurance Corporation of India (LIC).

The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Past-service costs are recognized immediately in profit or loss.

c. Compensated absences:

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

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

xix) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xx) Earnings per share

Basic earnings per share:

Basic earnings per share is calculated by dividing:

- a) the profit attributable to owners of the Company
- b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share:

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

- a) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xxi) Other income

Income from duty drawback and export incentives is recognized on an accrual basis.

Interest is recognized using the effective interest rate (EIR) method, as income for the period in which it occurs.

Dividend income on investments is recognized when the right to receive dividend is established.

xxii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

For and on behalf of the Board of Directors of Subros Limited

Rajib Chatterjee
Partner
Membership No : 057134

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Whole-time Director &
Chief Executive Officer
DIN : 02382912

Place : Gurugram
Date : May 23, 2024

Hemant Kumar Agarwal
Chief Financial Officer
& Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 23, 2024





SUBROS LIMITED

Regd. Office: LGF, World Trade Centre, Barakhamba Lane, New Delhi-110001
(CIN:- L74899DL1985PLC020134)

Phone: 011-23414946-49, Fax: 011-23414945, E-mail: kamal.samtani@subros.com, Website: www.subros.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **39th Annual General Meeting** of the Members of SUBROS LIMITED will be held on **Wednesday the 18th September, 2024 at 11.30 a.m.** IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses. The venue of the meeting shall be deemed to be the Registered office of the Company.

ORDINARY BUSINESS

- To receive, consider and adopt:
 - Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and the Auditors thereon; and
 - Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the report of the Auditors thereon.
- To declare dividend on equity shares for the financial year ended on March 31, 2024.
- To appoint a Director in place of Dr. Jyotsna Suri (DIN: 00004603), who retires by rotation and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

4. To ratify and approve remuneration of Cost Auditors of the Company

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the approval/ ratification of the Shareholders be and is hereby accorded to the remuneration as set out in the statement annexed to this Notice and payable to the Cost Auditors appointed by the Board of Directors of the Company on the recommendation of the Audit Committee to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025.

RESOLVED FURTHER THAT the Chief Financial Officer or Company Secretary of the Company be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts and things as may be considered necessary expedient and desirable for the purpose of giving effect to this resolution.”

5. To re-appoint Mr. Parmod Kumar Duggal (DIN: 02382912) as Whole-time Director designated as Executive Director & Chief Executive Officer (“CEO”)

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (the “Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the approval of the Shareholders of the Company be and is hereby accorded for the re-appointment of Mr. Parmod Kumar Duggal (DIN: 02382912) as the Whole-time Director designated as Executive Director & Chief Executive Officer of the Company, for a period of 3 (three) years with effect from 5th August, 2024 upto 4th August, 2027 on the terms & conditions of appointment including the payment of remuneration, perquisites & other benefits, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors or Chairperson & Managing Director (including its Committee thereof) to alter and vary the terms & conditions of the said Appointment in such manner as may be deemed fit in accordance with the relevant provisions of the Act and the Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors or Chairperson & Managing Director be and are hereby authorized to revise the remuneration of Mr. Parmod Kumar Duggal from time to time to the extent of Board of Directors or Chairperson & Managing Director may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/ or any guidelines prescribed by the Government from time to time and the Articles of Association of the Company.

RESOLVED FURTHER THAT the Chairperson & Managing Director, CFO & VP (Finance) and Company Secretary of the Company be and are hereby severally authorized to do all acts, deeds and things as may be considered necessary and expedient in relation thereto.”



6. To consider payment of commission to Non-executive Independent Directors

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 197, 198 of the Companies Act, 2013 (the “Act”) and Regulation 17(6)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and any other applicable provisions of the Act and/or the Listing Regulations including any statutory modification(s) or re-enactment thereof for the time being in force, the Articles of Association of the Company, approval of Shareholders of the Company be and is hereby accorded to payment of Commission to the Non-executive Independent Director(s) of the Company in such manner as may be approved by the Board of Directors in any financial year commencing from 1st April, 2024 to the extent, **whichever is lower** of the following:

Not Exceeding 0.25% of the Net Profits (after tax) of the Company calculated in accordance with the provisions of Section 198 of the Act;

OR

Rs. 9,00,000/- (Rupees Nine Lakhs only) per individual Independent Director.

RESOLVED FURTHER THAT Chairperson & Managing Director, CFO & VP (Finance) and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be considered necessary and expedient in relation thereto and to file requisite e-forms(s) with Ministry of Corporate Affairs/Registrar of Companies, inform Stock Exchanges and other authorities and to do all such acts as they may considered necessary, expedient, in this regard.”

7. To approve material related party transactions with Global Autotech Limited

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as Board which shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its power including powers conferred under this resolution) of the Company to enter into material contract(s)/ arrangement(s)/ transaction(s) with Global Autotech Limited, being a related party, as defined under regulation 23(4) of the Listing Regulations for (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials,

assets, services or resource (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of each other's resources and (iii) transfer of any resources, services or obligations to meet their business requirements for a sum upto Rs. 325 Crores (Rupees Three Hundred and Twenty Five Crores only).

RESOLVED FURTHER THAT the Board of Directors/ Audit Committee/ Chairperson & Managing Director/ Whole-time Director & CEO of the Company be and are hereby authorised to do all such acts and deeds as may be deemed necessary or expedient and to take all such actions/ steps as may be required in this regard including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board/ Audit Committee/Chairperson & Managing Director/ Whole-time Director & CEO of the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

8. To approve material related party transactions with Maruti Suzuki India Limited

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (the “Act”), read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) including any statutory modifications(s) or re-enactments(s) thereof, for the time being in force, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as Board which shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its power including powers conferred under this resolution) of the Company to enter into material contracts/ arrangements/ transactions with related party as detailed below with the authority to the Board of Directors/Management of the Company to enter into the said contracts/ arrangements / transactions with Maruti Suzuki India Limited, being a related party as defined under regulation 2(1)(zb)(b)(ii) of the Listing Regulations for (i) sale, purchase, lease and / or transfer of components, parts, products, goods, materials, assets, tooling, services or resources; (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of resources; and (iii) transfer of any resources, services or obligations to meet business requirements for



a sum upto Rs. 1900 Crores (Rupees One Thousand Nine Hundred Crores only).

RESOLVED FURTHER THAT the Board of Directors / Audit Committee / Chairperson & Managing Director/ Whole-time Director & CEO of the Company be and are hereby authorised to do all such acts and deeds as may be deemed necessary or expedient and to take all such actions/ steps as may be required in this regard including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Shareholders and that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board/ Audit Committee / Chairperson & Managing Director / Whole-time Director & CEO of the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

9. To approve material related party transactions with Suzuki Motor Gujarat Private Limited

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (the “Act”), read with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) including any statutory modifications(s) or re-enactments(s) thereof, for the time being in force, and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as Board which shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its power including powers conferred under this resolution) of the Company to enter into material related party contracts/ arrangements/ transactions with related party as detailed below with the authority to the Board of Directors/ Management of the Company to enter into the said contracts, arrangements or transactions with Suzuki Motor Gujarat Private Limited, being a related party as defined under regulation 2(1)(zb)(b)(ii) of the Listing Regulations for (i) sale, purchase, lease and / or transfer of components, parts, products, goods, materials, assets, tooling, services or resources; (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of resources; and (iii) transfer of any resources, services or obligations to meet business requirements for a sum upto Rs. 1300 Crores (Rupees One Thousand Three Hundred Crores only).

RESOLVED FURTHER THAT the Board of Directors / Audit Committee / Chairperson & Managing Director / Whole-time Director & CEO of the Company be and are hereby authorised to do all such acts and deeds as may be deemed necessary or expedient and to take all such actions/ steps as may be required in this regard including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred to, without being required to seek further consent or approval of the Shareholders and that the Shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board/ Audit Committee / Chairperson & Managing Director / Whole-time Director & CEO of the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

By Order of the Board

Kamal Samtani
Company Secretary
M. No. FCS-5140

Place: New Delhi

Dated: May 23, 2024

IMPORTANT NOTES

1. A statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the Meeting, is annexed hereto.
2. **PURSUANT TO THE CIRCULAR NO. 14/2020 DATED APRIL 08, 2020; CIRCULAR NO. 17/2020 DATED APRIL 13, 2020; CIRCULAR NO. 20/2020 DATED MAY 5, 2020; CIRCULAR NO. 02/2021, DATED JANUARY 13, 2021; CIRCULAR NO. 19/2021 DATED DECEMBER 12, 2021; CIRCULAR NO. 2/2022; DATED MAY 5, 2022; CIRCULAR NO. 10/2022; DATED DECEMBER 8, 2022 AND CIRCULAR NO 9/2023 DATED SEPTEMBER 25, 2023 AND ALL OTHER RELEVANT CIRCULARS ISSUED FROM TIME TO TIME BY THE MINISTRY OF CORPORATE AFFAIRS READ WITH RULES MADE THEREUNDER AND THE SEBI (LODR) REGULATIONS 2015 (“LISTING REGULATIONS”), PHYSICAL ATTENDANCE OF THE MEMBERS IN THE ANNUAL GENERAL MEETING (“AGM”) IS NOT REQUIRED AND GENERAL MEETING BE HELD THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO VISUAL MEANS (“OAVM”). HENCE, MEMBERS CAN ATTEND AND PARTICIPATE IN THE ENSUING AGM THROUGH VC/ OAVM WITHOUT PHYSICAL PRESENCE AT THE COMMON VENUE .**



3. **AS THE AGM SHALL BE CONDUCTED THROUGH VC / OAVM, THE FACILITY FOR APPOINTMENT OF PROXY BY THE MEMBERS IS NOT AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP INCLUDING ROUTE MAP ARE NOT ANNEXED TO THIS NOTICE.**
4. Corporate/ Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) intending to attend the AGM pursuant to Section 113 of the Act, can upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login or email the same to kamal.samtani@subros.com.

Procedure for dispatch of annual report

5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and October 6, 2023, Notice of the AGM ("Notice") along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories.
6. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at www.subros.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of NSDL <https://www.evoting.nsdl.com>.
7. Members may also note that the Annual Report for 2023-24 will also be available on the Company's website for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, Members are entitled to receive such communication in e-mail / physical form, upon making a request for the same, by post free of cost.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc:
 - a. For shares held in electronic form: to their Depository Participants (DPs)
 - b. For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023. The Company has sent letters on 30th May, 2023, for furnishing the required details. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed

companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's [website at www.subros.com/noticetoshareholders.html](http://www.subros.com/noticetoshareholders.html) and on the website of the Company's Registrar and Transfer Agents, MCS Share Transfer Agent Limited at www.mcsregistrars.com/downloads.php. It may be noted that any service request can be processed only after the folio is KYC Compliant.

Further, SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. For any assistance/ support in this regard, the Members may contact the Company or the Company's Registrar and Transfer Agents, MCS Share Transfer Agent Limited.

9. Members seeking any information with regard to any matter to be placed at the AGM are requested to write the Company through an email at kamal.samtani@subros.com.

Procedure for attending/ joining the AGM through VC/ OAVM

10. NSDL will be providing facility for voting through remote e-Voting, for participation in the 39th AGM through VC / OAVM facility and e-Voting during the AGM.
11. Members may note that the VC / OAVM facility, allows participation of at least 1,000 Members on a first come first-serve basis.
12. Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the link available against the EVEN for Company's AGM.
13. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.
14. Facility of joining the AGM through VC/ OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first-come first-serve basis.



15. Members, who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or call at 022-4886 7000 and 022-2499 7000.

16. Members attending the AGM through VC /OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Procedure for raising questions / clarifications

17. Members are encouraged to express their views / send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at kamal.samtani@subros.com. Questions / queries received by the Company till 5.00 p.m. on 11th September, 2024 shall only be considered and responded during the AGM.

18. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

Procedure for remote e-voting and e-voting at the AGM

19. (i) All the shareholders of the Company including retail individual investors, institutional investors, etc. are encouraged to attend and vote in the AGM to be held through VC / OAVM.

(ii) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (including any statutory modification(s) and/ or re-enactment(s) thereof for the time being in force), Members are provided with the following alternatives by which they may cast their votes by electronic means through the remote e-Voting platform provided by the National Securities Depository Limited (NSDL).

(iii) **The remote e-Voting period will commence on 15th September, 2024 at 9.00 am and will end on 17th September, 2024 at 5.00 pm. The remote e-Voting module will be disabled by NSDL for voting thereafter. Instructions and information relating to e-Voting are as follows:**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system





A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email-Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
	<p>2. If you are not registered for IDEAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDEAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p>
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



	<p>4. Shareholders/ Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p>
	<p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System My easi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from the e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>

<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33</p>

B) Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to log-in to NSDL e-Voting website?

- (i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- (ii) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- (iii) A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.



(iv) Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID Forexample if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

(v) Password details for shareholders other than individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mail box. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

(vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

(vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

(viii) Now, you will have to click on "Login" button.

(ix) After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- (i) After successful login at Step1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- (ii) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join General Meeting".
- (iii) Now you are ready for e-Voting as the Voting page opens.
- (iv) Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on " Submit" and also "Confirm" when prompted.
- (v) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (vi) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- (vii) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General information/guidelines

- a) Institutional Shareholders / Corporate Members (i.e. other than individuals, HUF, NRI, etc.) are requested to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote to the Scrutinizer by email to contact@csrsm.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
- b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password"



or “Physical User Reset Password” option available on www.evoting.nSDL.com to reset the password.

- c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nSDL.com or call on: 022-4886 7000 and 022-2499 7000 or send a request at evoting@nsdl.co.in.

Process for those Shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- (i) In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) by email to kamal.samtani@subros.com.
- (ii) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) to kamal.samtani@subros.com. If you are individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- (iii) Alternatively Shareholder / Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- (iv) In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The instructions for Members for e-Voting on the day of the AGM are as under:-

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ii. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv. The details of the person who may be contacted or any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for Members for attending the AGM through VC/OAVM are as under:

- a. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/ OAVM link” placed under “**Join General Meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- b. Members are encouraged to join the Meeting through Laptops for better experience.
- c. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number / folio number, email id, mobile number at kamal.samtani@subros.com. The same will be replied by the Company suitably.
- f. Members who have cast their votes by remote e-Voting prior to the AGM may also attend/participate in the meeting through VC/ OAVM but they shall not be entitled to cast their vote again.
- g. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off date i.e. 11th September, 2024.
- h. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 39th AGM by email and holds shares as on the cut-off date i.e. 11th September, 2024, may obtain the User ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details / Password” or “Physical User Reset Password” option available on www.evoting.nSDL.com.
- i. Shri Ravi Sharma, Practicing Company Secretary (Membership No. FCS-4468 & CP No. 3666), Partner, M/s. RSM & Co., Company Secretaries have been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the e-voting process in a fair and transparent manner.



- j. The Chairperson shall, at the AGM, allow voting with the assistance of Scrutinizer, by use of electronic voting for all those Members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- k. The Scrutinizer shall after the conclusion of voting at the AGM, declare the results not later than two working days of the conclusion of the AGM, along with a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall counter sign the same and declare the results of the voting forthwith. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.subros.com and on the website of NSDL, BSE Limited and National Stock Exchange of India Limited.
- l. Documents open for inspection: All the documents referred to in the accompanying notice and the statement pursuant to Section 102 (1) of the Companies Act, 2013 shall be available for inspection through electronic mode. Members are requested to write to the Company at kamal.samtani@subros.com for inspection of said documents; and the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members during the AGM, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.

Dividend related information

20. **The Register of Members and the Share Transfer Books of the Company will remain closed from 12th September, 2024 (Thursday) to 18th September, 2024 (Wednesday) (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2024 and the Annual General Meeting.**
21. Dividend of Rs. 1.80 per equity share as recommended by the Board of Directors for the year ended March 31, 2024 is subject to the approval by the Members at the ensuing Annual General Meeting.
22. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form are requested to register their bank particulars or changing bank particulars already registered against their respective folios for payment of dividend and are requested to inform the Company / RTA.
23. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company for any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
24. Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN/bank details to the Company / Registrar & Transfer Agent. Also SEBI has informed that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise equity shares held by them in physical format at the earliest.
25. **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members with effect from 1st April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, Members are requested to refer to the Finance Act, 2020 and amendments thereof.
- Members are requested to update their Permanent Account Number ("PAN") with the Company and depositories (in case of shares held in demat mode).
- For Resident Shareholders, tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @10% on the amount of Dividend declared and paid by the Company w.e.f. the Financial Year ("FY") 2021-22 in case the PAN is provided by the shareholder. However, no TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2023-24 does not exceed Rs.5,000. **If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income-Tax Act, 1961.** Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), no tax at source shall be deducted provided that the eligibility conditions are being met. Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
- In order to provide exemption from withholding of tax, the following organizations must provide a self-declaration as listed below:
- **Insurance Companies:** A declaration that they are beneficial owners of shares held.
 - **Mutual Funds:** A declaration that they are governed by the provisions of Section 10(23D) of the Act along with copy of registration documents (self attested).
- Other categories may provide requisite documents in accordance with the Income-Tax Act, 1961.
- For Non-resident Shareholders, taxes are required to be withheld in accordance with the provisions of section 195 of the Income Tax Act, 1961 at the applicable rates in force. As per the relevant provisions of section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of Foreign Portfolio Investors /



Foreign Institutional Investors, the withholding tax shall be as per the rates specified in Section 196C and 196D of the Act respectively plus applicable surcharge and cess on the amount of Dividend payable to them. However, as per Section 90 read with Section 195 of the Income-Tax Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (“DTAA”) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- (a) Self-attested true copy of Tax Residency Certificate (“TRC”) obtained from the tax authorities of the country of which the shareholder is resident for the Financial Year 2024-25;
- (b) Self declaration in Form10F;
- (c) Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- (d) Self-declaration, certifying that the (i) Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2024-25; (ii) Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company; (iii) Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner; (iv) Shareholder does not have a taxable presence or a Permanent Establishment (“PE”) in India during the Financial Year 2024-25. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise; (v) Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and (vi) Non-resident shareholder is satisfying the Principle Purpose Test as per the respective tax treaty effective 1st April, 2020 (if applicable).

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-Resident shareholder. Members may submit the aforementioned documents to the Company on or before 11th September, 2024 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination/ deduction may be entertained post 11th September, 2024.

It may further be noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

The Company may arrange to email the soft copy of TDS certificate to the Shareholders at the registered email ID in due course, post payment of the said Dividend.

26. The Company has transferred the unpaid or unclaimed dividends declared upto financial year 2015-16, from

time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on the date of the previous Annual General Meeting on the website of the Company and the same can be accessed through the link: www.subros.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2023-24, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: www.subros.com. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned Members are advised to visit the web link: <http://iepf.gov.in/IEPFA/refund.html> or contact the Registrar & Transfer Agent for lodging claim for refund of shares and/ or dividend from the IEPF Authority.

27. M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration No. 012754N/ N500016) has been re-appointed at the 37th AGM as the Statutory Auditors of the Company for a second term of five consecutive years from the conclusion of 37th to the conclusion of 42nd AGM of the Company.
28. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards in respect of the Director(s) seeking appointment / re-appointment at the Annual General Meeting is annexed hereto and forms integral part of the Notice.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

The Board on the recommendation of the Audit Committee has approved the re-appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending on March 31, 2025 as per the following details:

Name of the Cost Auditor	Industry	Audit Fees
M/s. Chandra Wadhwa & Co.	Automotive	3.50 Lakhs

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the remuneration plus applicable taxes and reimbursement of out of Pocket expenses payable to the Cost Auditors has to be ratified / approved by the Members of the Company.



Accordingly, consent of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board of Directors recommends passing of the Resolution as set out at Item No. 4 of the Notice as an Ordinary Resolution.

Item No. 5

The Members may note that Mr. Parmod Kumar Duggal (DIN: 02382912) was appointed as the Whole-time Director, designated as Chief Executive Officer of the Company for a period of three years from 5th August, 2021 to 4th August 2024.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee and subject to approval of the Shareholders, re-appointed Mr. Parmod Kumar Duggal as Whole-time Director of the Company designated as Executive Director & Chief Executive Officer for a period of 3 years with effect from 5th August, 2024 to 4th August, 2027.

Mr. Parmod Kumar Duggal, aged about 54 years is a Chartered Accountant, Company Secretary and Certified Management Accountant. Mr. Duggal is associated with the Company for past 21 years and has over 32 years of rich experience in the areas of Marketing, IT, HR, Plant operations, Joint Venture resulting in new business opportunities and diversification strategies to the Company.

The principal terms and conditions of re-appointment of Mr. Parmod Kumar Duggal as the Whole-time Director designated as Executive Director & Chief Executive Officer are as follows:

1. **Period of Appointment:** Three years commencing from 5th August, 2024
2. **Remuneration:** In consideration of the performance of his duties, the Company shall pay to Mr. Parmod Kumar Duggal the following remuneration with such increments as may be approved by the Chairperson & Managing Director ("CMD") from time to time. The gross remuneration shall be categorized as follows:-
 - a. **Basic Salary:** In the range of Rs 2,25,000 per month to Rs. 4,25,000 per month. The increment as and when approved by the Board or CMD as per merit based and will take into account the performance as Chief Executive Officer as well as that of the Company.
 - b. **House Rent Allowance (HRA):** 50% of the Basic Salary
 - c. **Perquisites & Allowances:** Other allowances & perquisites like Transportation allowance, Uniform Allowance, Superannuation Allowance, Special Allowance(s), Leave Travel Concession (LTC), Medical Reimbursement, Contribution to Provident Fund, Gratuity, Leave and Leave encashment etc. and other allowances for such

amount as per the rules and policies of the Company.

- d. **Performance Incentives:** As per the rules and policies of the Company
 - e. **Amenities:** Conveyance facilities, Telephone, Internet and other communication facilities as per the rules and policies of the Company.
3. The Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisite shall be evaluated at actual cost.
 4. **Overall remuneration:** The aggregate of salary, allowances, perquisites and performance incentive, in any one financial year shall not exceed the limits prescribed under Section 197, 198 and other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act or any modifications or re-enactment for the time being in force.
 5. **Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year during the currency of tenure of service of the Executive Director & Chief Executive Officer, the payment of Basic Salary, HRA, Perquisites & Allowances, Performance Incentive, Amenities shall be governed by the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 as may for the time being is in force.
 6. Income-Tax in respect of the above remuneration shall be deducted at source as per the applicable Income Tax Laws / Rules.
 7. Executive Director & Chief Executive Officer shall carry-out such functions, exercise such powers and perform such duties as the Board of Directors of the Company (hereinafter called "the Board") or the CMD shall from time to time in its absolute discretion determine and entrust to him.
 8. The terms & conditions of re-appointment and the payment of remuneration to Executive Director & Chief Executive Officer may be varied, enhanced or widened from time to time by the Board or CMD as it may in its discretion deem fit and in accordance with the provisions of the Companies Act, 2013 or any amendments made hereafter in this regard, the Articles of Association of the Company and within the overall approval given by the Shareholders.

The above may be treated as a written memorandum setting out the terms & conditions of re-appointment of Mr. Parmod Kumar Duggal under Section 190 of the Act.

The Nomination & Remuneration Committee and the Board of Directors are of the opinion that Mr. Parmod Kumar Duggal's vast knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No.5 of this Notice relating to his re-appointment as Whole-time Director of the Company for a period of three years w.e.f. 5th August, 2024 upto 4th August, 2027 as an Ordinary Resolution for your approval.



In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the Members for their approval. The details as required under the provisions of Regulation 36 (3) of the Listing Regulations, SS-2 and other applicable provisions are provided in **Annexure-1**

Except Mr. Parmod Kumar Duggal, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested in the Resolution at Item No. 5 of the Notice. Mr. Duggal is not related to any other Director or KMP of the Company.

The Board recommends passing of the Resolution as set out at Item No. 5 of the Notice as an Ordinary Resolution.

Item No. 6

The Shareholders may note that it is proposed to pay commission to the Non-executive Independent Director(s) apart from the sitting fees in accordance with the provisions of Section 149, 197 of the Companies Act, 2013 ("Act") and Regulation 17(6) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Act") subject to approval of Shareholders of the Company, computed in the manner as laid down under Section 197 and 198 of the Companies Act, 2013.

It is proposed to pay the Commission to Non-executive Independent Directors based on the Net Profits (after tax) of the Company calculated in accordance with the provisions of Section 198 of the Act, as stated in the resolution.

The payment of commission to Non-executive Independent Directors shall be in addition to the payment of sitting fee for attending the meetings of the Board or any committee thereof.

Except all the Independent Directors, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 6 of the Notice.

The Board of Directors recommends passing of the Resolution as set out at Item No. 6 of the Notice as an Ordinary Resolution.

Item No. 7

The Securities and Exchange Board of India ("SEBI"), vide its notification dated November 9, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 ("Amendments") introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The aforesaid amendments inter alia include replacing of current threshold of 10% of the annual consolidated turnover of the listed entity for determination of material Related Party Transactions requiring prior Shareholders' approval with the threshold of lower of Rs. 1,000 Crores (Rupees One thousand Crores) or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity. Further, SEBI vide its circular dated April 8, 2022

clarified that, the omnibus approval of material related party transactions, obtained from Shareholders in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months.

Global Autotech Limited is a 'related party' of your Company within the meaning of Regulation 2 (zb) and Regulation 23 of the Listing Regulations. Therefore, in terms of the provisions of Section 188 of the Companies Act, 2013 and the Listing Regulations, the contracts/arrangements/ transactions as mentioned in the resolution to be entered into with Global Autotech Limited which are likely to exceed 10% (ten percent) of the annual consolidated turnover of the Company ("Material Related Party Transactions") and requires prior approval of the Shareholders of the Company by way of an Ordinary Resolution.

The material Contracts/ Arrangements/ Transactions with Global Autotech Limited have been approved by the Audit Committee and Board of Directors of the Company.

Details of the proposed Material Related Party Transactions between the Company and Global Autotech Limited, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2021/662 dated November 22, 2021, along with summary of information provided to the audit committee is annexed as **Annexure-2:**

The proposed related party transactions are in the ordinary and normal course of business and on arm's length basis and play a significant role in the Company's business operations and accordingly the Board, based on the approval and recommendation of the Audit Committee, recommends the Ordinary Resolution set forth for the approval of the Shareholders in terms of the Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company (except Dr Jyotsna Suri and Ms. Shradha Suri) are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 7 of the Notice.

The Board of Directors recommends passing of the Resolution as set out at Item No. 7 of the Notice as an Ordinary Resolution.

Item No. 8

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and as per amended Regulation 2(1)(zb)(b)(ii) read with Regulation 23 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") which has come into effect from April 1, 2023, all material related party transactions shall require prior approval of the Shareholders, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees 1000 Crores or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Maruti Suzuki India Limited ("MSIL") is related party of your Company, within the meaning of Section 2 (76) of



the Act and Regulation 2(1)(zb), 2(1)(zc) and Regulation 23 of the Listing Regulations. MSIL is subsidiary company of Suzuki Motor Corporation, Japan (“SMC”) which is a Joint Venture and holds 11.96% shareholding in the share capital of the Company. Your Company does ongoing/perpetual transactions, inter alia, of sale, purchase, services, which are significant for expansion and growth of your Company. The arrangements / transactions as mentioned in the resolution to be entered into with MSIL is likely to exceed 10% of the annual consolidated turnover of the Company (“Material Related Party Transactions”) and require prior approval of the Shareholders of the Company by way of an Ordinary Resolution. The Board is of the opinion that proposed transactions with above related party are in the best interest of the Company and its Shareholders.

Shareholders may kindly note that in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022 and SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022, the approval of Shareholders is sought to the aforesaid Material Related Party Transactions for a period as mentioned in Annexure-2.

Details of the proposed Material Related Party Transactions between the Company and MSIL, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, along with summary of information provided to the audit committee is annexed as **Annexure-2**:

The proposed related party transactions are in the ordinary and normal course of business and on arm’s length basis and play a significant role in the Company’s business operations and accordingly the Board, based on the approval and recommendation of the Audit Committee, recommends the Ordinary Resolution set forth for the approval of the Shareholders in terms of the Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company (except Mr. Hisashi Takeuchi) are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice.

The Board of Directors recommends passing of the resolution as set out at Item No. 8 of this Notice as an Ordinary Resolution.

Item No. 9

Pursuant to Section 188 of the Companies Act, 2013 (“the Act”), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and as per amended Regulation 2(1)(zb)(ii) read with Regulation 23 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) which has come into effect from April 1, 2023, all material related party transactions shall require prior approval of the Shareholders, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees 1000 Crores or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Suzuki Motor Gujarat Private Limited (“SMG”) is related party of your Company, within the meaning of Section 2 (76) of the Act and Regulation 2(1)(zb), 2(1)(zc) and Regulation 23 of Listing Regulations. SMG is subsidiary company of Suzuki Motor Corporation, Japan (“SMC”) which is a Joint Venture and holds 11.96% shareholding in the share capital of the Company. Your Company does ongoing /perpetual transactions, inter alia, of sale, purchase, services, which are significant for expansion and growth of your Company. The arrangements / transactions as mentioned in the resolution to be entered into with SMG is likely to exceed 10% of the annual consolidated turnover of the Company (“Material Related Party Transactions”) and require prior approval of the Shareholders of the Company by way of an Ordinary Resolution. The Board is of the opinion that proposed transactions with above related parties are in the best interest of the Company and its Shareholders.

Shareholders may kindly note that in terms of SEBI Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2022/40 dated March 30, 2022 and SEBI/HO/CFD/CMD1/ CIR/P/2022/47 dated April 8, 2022, the approval of Shareholders is sought to the aforesaid Material Related Party Transactions for a period as mentioned in Annexure-2.

Details of the proposed Material Related Party Transactions between the Company and SMG, including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, along with summary of information provided to the audit committee is annexed as **Annexure-2**:

The proposed related party transactions are in the ordinary and normal course of business and on arm’s length basis and play a significant role in the Company’s business operations and accordingly the Board, based on the approval and recommendation of the Audit Committee, recommends the Ordinary Resolution set forth for the approval of the Shareholders in terms of the Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company (except Mr. Hisashi Takeuchi) are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 9 of the Notice.

The Board of Directors recommends passing of the resolution as set out at Item No. 9 of the Notice as an Ordinary Resolution.

By Order of the Board
Kamal Samtani
Company Secretary
M. No. FCS-5140

Place: New Delhi
Dated: May 23, 2024

Registered Office:
Lower Ground Floor, World Trade Centre,
Barakhamba Lane,
New Delhi 110 001
(CIN: L74899DL1985PLC020134)
Email: kamal.samtani@subros.com
Website: www.subros.com



Annexure-1

The details as required under the provisions of Regulation 36 (3) of the Listing Regulations, SS-2 and other applicable provisions are provided as below:

Additional information on Director recommended for re-appointment as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2		
Name	Dr. Jyotsna Suri	Mr. Parmod Kumar Duggal
DIN	00004603	02382912
Age (Years)	71	54
Qualification	Bachelor's degree in English from Miranda House College, Delhi University and has been conferred a honorary degree of Doctor of Laws from the University of Warwick, U.K.	Chartered Accountant, Company Secretary & Certified Management Accountant.
Experience and expertise	<p>Dr. Jyotsna Suri has experience of more than 43 years in hospitality Sector.</p> <p>Dr. Suri was the President of the Federation of Indian Chambers of Commerce and Industry ("FICCI") in 2015 and has been the Chairperson of the FICCI Tourism Committee since 2013. Dr. Jyotsna Suri was appointed as Chairperson & Managing Director of the Bharat Hotels Limited in the year 2006.</p> <p>On November 19, 2008 Dr. Suri chartered a path breaking and highly successful brand change and, today, under The Lalit Suri Hospitality Group, all its luxury hotels are operated under 'THE LALIT'. She was awarded the 'Outstanding Business Woman Award' at the PHD Annual Awards for Excellence 2016 and was the winner of the In WENA trophy for 'Women Entrepreneur(s) / Entrepreneur(s) of the Decade' at the In WENA Awards 2016. She was also awarded the 'BEST CEO Hospitality Sector' at the Global Women Achievers Awards in 2015.</p> <p>In addition to above, Dr. Suri was awarded with following awards: (a) Order of the Rising Sun, Gold & Silver star by the Government of Japan (b) Most influential Woman of India by Magazine Business World.</p>	<p>Mr. Parmod Kumar Duggal has wide exposure of more than 30 years in variety of industries ranging from textile, heavy engineering and auto component.</p> <p>Mr. Duggal has been associated with the Company for past 21 years and played instrumental role in Costing, Marketing, IT, HR, Plant operations, Joint Venture resulting in new business opportunities and diversification strategies to the Company.</p>
Terms & Conditions of Re-appointment	Liable to retire by rotation.	As detailed in the resolution and explanatory statement
Details of Remuneration sought to be paid	None. Only Sitting fees for Board Meeting(s) shall be paid.	As detailed in the resolution and explanatory statement
Remuneration last drawn	None. Only Sitting fees for Board Meeting(s) are paid. For details please refer to the Corporate Governance Report.	As per existing terms and conditions
Date of first appointment on the Board	October 30, 2006	August 5, 2021
Shareholding in the Company (including shareholding as a beneficial owner)	Nil	Nil
Relationship with other Directors, Manager and Key Managerial Personnel	Ms. Shradha Suri Chairperson & Managing Director	None



Number of board meeting(s) attended during the year (FY 2023-24)*	4 (Four)	6(Six)
Other directorships	Public Companies: 1. Deeksha Holding Limited 2. Rohan Motors Limited 3. Bharat Hotels Limited 4. Jyoti Limited 5. Lalit Great Eastern Kolkata Hotel Limited Private Companies 1. Responsible Holding Private Limited 2. Prima Realtors Private Limited 3. Jyotsna Holding Private Limited 4. Special Protection Services Private Limited	1. Denso Subros Thermal Engineering Centre India Private Limited 2. Global YDK Electric Private Limited
Memberships / Chairpersonship of committees	Bharat Hotels Limited Chairperson – CSR Committee Member – Stakeholders Relationship Committee	Subros Limited Audit Committee – Member Risk Management Committee- Member Allotment Committee- Member Debenture Committee- Member
Name of listed entities from where the person has resigned in the past three years	None	None

*Meetings attended during FY 2023-24, refer to Corporate Governance Report

Annexure-2

The relevant information pursuant to SEBI circular vide. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 as given below:

S. No.	Particulars	Details of Material Related Party Transactions		
		Item No. 7	Item No. 8	Item No. 9
a.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Global Autotech Limited Entities over which Director and / or relative has control or joint control (As per SEBI Listing Regulations)	Maruti Suzuki India Limited. ("MSIL") Subsidiary of Suzuki Motor Corporation, Japan, a related party in terms of Regulation 2(1)(zb)(b)(ii) of SEBI Listing Regulations.	Suzuki Motor Gujarat Private Limited, ("SMG") Wholly- owned Subsidiary of Suzuki Motor Corporation, Japan, a related party in terms of Regulation 2(1)(zb)(b)(ii) of Listing Regulations.
b.	Type, material terms and particulars of the proposed transactions	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, assets, services or resources; (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of each other's resources; and (iii) transfer of any resources, services or obligations to meet their business requirements.	Transaction(s) with respect to: (i) sale, purchase, lease and / or transfer of components, parts, products, goods, materials, assets, tooling, services or resources; (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of resources; and (iii) transfer of any resources, services or obligations to meet business requirements.	Transaction(s) with respect to: (i) sale, purchase, lease and / or transfer of components, parts, products, goods, materials, assets, tooling, services or resources; (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of resources; and (iii) transfer of any resources, services or obligations to meet business requirements.
c.	Tenure of the proposed transactions ("Tenure")	39 th Annual General Meeting to 40 th Annual General Meeting.	39 th Annual General Meeting to 40 th Annual General Meeting.	39 th Annual General Meeting to 40 th Annual General Meeting.



d.	Value of the proposed transactions	Rs. 325 Crores (Rs. 160 Crores from end of 39 th AGM to end of FY 2024-25 and Rs. 165 Crores from end of FY 2024-25 till the 40 th AGM)	Rs. 1900 Crores (Rs. 950 Crores from end of 39 th AGM to end of FY 2024-25 and Rs. 950 Crores from end of FY 2024-25 till the 40 th AGM)	Rs. 1300 Crores (Rs. 650 Crores from end of 39 th AGM to end of FY 2024-25 and Rs. 650 Crores from end of FY 2024-25 till the 40 th AGM)
e.	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transactions	10.58%	61.88%	42.34%
f.	If the transactions relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable		
g.	Justification as to why the RPTs are in the interest of the listed entity	Global Autotech Limited is a vendor and has required capacity and is a leading supplier to various OEMs and has requisite manufacturing competency to supply the components. It helps the Company to ensure timely supply of quality and critical components at competitive prices based on market competitiveness at the arm's length basis and the transactions are in ordinary course of business.	The Company has a long term association with MSIL since inception. The Company supplies parts and components of automotive air conditioning systems viz. HVAC, Compressor, Hose & Tubes, Condensers and other thermal engineering products. The Company is also engaged with MSIL for development of new products for their forthcoming programs. All transactions with MSIL are in ordinary course of business and on arm's length basis.	The Company has a long term association with SMG and is carrying transactions since 2017. The Company supplies parts and components of automotive air conditioning systems viz. HVAC, Compressor, Hose & Tubes, Condensers and other thermal engineering products. All transactions with SMG are in ordinary course of business and on arm's length basis.
h.	A copy of the valuation or other external party report, if any such report has been relied upon	The transactions do not contemplate any valuation.	The transactions are generally RFQ based and on competitive pricing considering techno-commercial proposal. However, the transaction(s) do not contemplate any valuation.	The transactions are generally RFQ based and on competitive pricing considering techno-commercial proposal. However, the transaction(s) do not contemplate any valuation.
i.	Percentage of the counter- party's annual consolidated turnover that is represented by the value of the proposed RPTs on a voluntary basis	66.47 (Based on annual turnover of FY 2022-23)	1.68 (Based on annual turnover of FY 2023-24)	4.48 (Based on annual turnover of FY 2022-23)
j.	Any other information that may be relevant	Global Autotech Limited is a vendor and all prices are agreed based on market competitiveness at the arm's length basis and the transactions are in ordinary course of business.	MSIL is a leading OEM car manufacturer and all prices are agreed based on market competitiveness at the arm's length basis and the transactions are in ordinary course of business.	SMG is a OEM car manufacturer and all prices are agreed based on market competitiveness at the arm's length basis and the transactions are in ordinary course of business.

