

Dated: 05.09.2023

General Manager,  
Deptt of Corporate Services,  
Bombay Stock Exchange Ltd.  
PJ Tower, 25<sup>th</sup> Floor,  
Dalal Street  
Mumbai-400001

**Sub: Submission of Annual Report for the year 2023-24**

Dear Sir,

Pursuant to the provisions of regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report of the company for the Financial Year 2023-24 which is being sent to all the shareholders.

The abovesaid Annual Report is also available on the Website of the company at [www.emmforce.com](http://www.emmforce.com).

This is for your information and records please.

Yours Sincerely

**EMMFORCE AUTOTECH LIMITED**

Ashok  
Mehta

**(ASHOK MEHTA)**

**MANAGING DIRECTOR**

**DIN: [00058188](#)**

Digitally signed by Ashok Mehta  
DN: cn=Ashok Mehta, o=EMMFORCE AUTOTECH LIMITED, email=ashok@emmforce.com, c=IN  
c=IN, o=EMMFORCE AUTOTECH LIMITED, email=ashok@emmforce.com, c=IN  
Date: 2024.09.05 18:39:52 +05'30'



**Emmforce AutoTech Ltd.**  
(Formerly Emmforce Inc.)

**Regd. office** Plot No-287, Industrial Area Phase- 2,  
Panchkula 134113, Haryana (India)  
**Corporate office/works:-** Plot no 3 & 5, Epip, Phase-1,  
jharmajri, baddi-173205, HP, India  
☎ +91-6283368394, ✉ support@emmforce.com  
🌐 www.emmforce.com, CIN-U29301HR2023PLC115705

**1<sup>st</sup> ANNUAL REPORT**

**OF**

**EMMFORCE AUTOTECH**

**LIMITED**

**AS AT**

**31<sup>ST</sup> MARCH, 2024**

**EMMFORCE AUTOTECH LIMITED  
ANNUAL REPORT  
1<sup>ST</sup> ANNUAL GENERAL MEETING FOR THE YEAR ENDED MARCH 31, 2024**

**BOARD OF DIRECTORS**

Mr. Ashok Mehta  
Mrs. Neetu Mehta  
Mr. Azeez Mehta  
Mr. Raman Tewari  
Mr. Manish

**REGISTERED OFFICE**

Plot No. 287, Industrial Area, Phase II,  
Industrial Estate Panchkula, Haryana, India,  
134113

**CORPORATE OFFICE**

3 and 5 EPIP Phase I, Jharmajri, Baddi,  
Distt Solan, Himachal Pradesh, India, 173205

**STATUTORY AUDITORS**

Vijay Jindal & Associates  
Chartered Accountants  
#1299, 2nd Floor, Opp. Post Office  
Sector 15-B, Chandigarh-160015

**SECRETARIAL AUDITORS**

Kanwaljit Singh  
SCO 64-65, 1<sup>st</sup> Floor,  
Sector 17-A, Chandigarh-160017

**REGISTRAR & TRANSFER AGENT**

Link Intime India Pvt. Ltd,  
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),  
Mumbai, Maharashtra, 400083

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE 1ST ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF M/S EMMFORCE AUTOTECH LIMITED WILL BE HELD ON MONDAY, THE 30TH DAY OF SEPTEMBER, 2024 AT 11.30 A.M. THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS. THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY AT PLOT NO. 287, INDUSTRIAL AREA, PHASE II, INDUSTRIAL ESTATE PANCHKULA, HARYANA, INDIA, 134113**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the 1<sup>st</sup> Audited Financial Statements (standalone and consolidated) as at 31<sup>st</sup> March, 2024 together with Reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mrs. Neetu Mehta (DIN: 00319456) who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint Auditors and to fix their remuneration and for this purpose to consider and, if thought fit, to pass the following resolution with or without modification(s) as an ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit & Auditors) Rules, 2014, M/s Vijay Jindal & Associates, Chartered Accountants, (FRN 010457N) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 6<sup>th</sup> Annual General Meeting of the Company to be held in 2029 at a remuneration plus GST as applicable, to be fixed by the Board of Directors of the Company.”

**Date:** 03.09.2024

**Place:** Panchkula

By order of the Board of Directors  
for **EMMFORCE AUTOTECH LIMITED**

**ASHOK MEHTA**  
**(MANAGING DIRECTOR)**  
**DIN: 00058188**

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, setting out the material facts and reasons for the resolutions in respect of the businesses set out above is annexed hereto.
2. Details as required under 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment/ re-appointment at the AGM, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
3. The shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

Pursuant to the Circulars issued by Ministry of Corporate Affairs, for remote e-voting for this AGM, shareholders who have not registered their email address and in consequence the e-voting notice could not be served to them may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd. C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai, Mumbai City, Maharashtra-400083. Ph No. : 022-49186000. Shareholders may write the request to register/update their E-mail address with RTA to the email: delhi@linkintime.co.in. Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure for e-voting along with the User ID and Password to enable e-voting for the AGM.

4. In accordance with the MCA Circulars Nos. 20/2020 Dated 5th May 2020, 2/2022 dated 5th May 2022 and 10/2022 dated 28th December 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') read with circulars issued by the Securities and Exchange Board of India ('SEBI') in this regard, dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 6, 2023 and the latest being October 7, 2023 (collectively referred to as 'SEBI Circulars'), the Notice along with the Integrated Report is being sent electronically to only those Members whose email addresses are registered with the Company/ Depositories/Registrar & Transfer Agent/Depository Participants. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The procedure for participating in the meeting through VC / OAVM is explained hereunder.

Further, pursuant to the Circular No. 14/2020 dated 8th April, 2020 issued by MCA, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Corporate Members are entitled to appoint authorized representatives to attend the meeting through VC / OAVM and participate and cast their votes through e-voting.

5. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Plot No. 287, Industrial Area, Phase II, Industrial Estate Panchkula, Haryana, India, 134113.
6. Members can join the AGM through the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1000 members on first come first served basis. However, the restriction is not applicable to the Shareholders holding 2% or more

shareholding, Promoters, Institutional Investors, Directors, Key Managerial personnel, the Chairman of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. The attendance of Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The Company has connectivity with both National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') under ISIN No. INE0SDC01012.
9. The Company's Registrar and Share Transfer Agent for its Share Registry Work (Physical and Electronic) is M/s Link Intime India Private Limited having their office at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai, Mumbai City, Maharashtra-400083.
10. The Register of Members and Transfer Books of the Company will be closed from 24<sup>st</sup> September, 2024 to 30<sup>th</sup> September, 2024 (both days inclusive) for the purpose of Annual General Meeting for the Financial Year ended 31<sup>st</sup> March, 2024.
11. SEBI, vide its notification dated 8th June, 2018, and further amendment dated 30th November, 2018, has prescribed that w.e.f. 1st April, 2019, the securities of listed companies can be transferred only in dematerialized form. Accordingly, Members holding shares in physical form are requested to convert their holding(s) in dematerialized form.
12. SEBI has mandated that any service request from members holding securities, if any, in physical mode shall be entertained only upon registration of the PAN, KYC details and nomination. The folios wherein any one of the said document/details are not updated on or after 1 October 2023 shall be frozen by the RTA. Further, such member will not be eligible to receive dividend in physical mode. Members are requested to furnish the details in the prescribed form to the RTA Link Intime India Private Limited. Forms can be downloaded from the website of the Company at and website of RTA.
13. The Annual Report 2023-24 and Notice will be available on the Company's website [www.emmforce.com](http://www.emmforce.com), website of the Stock Exchange i.e. BSE Ltd. at [www.bseindia.com](http://www.bseindia.com) and on the website of RTA at [www.linkintime.co.in](http://www.linkintime.co.in).
14. To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/ update their e-mail address with their respective depository participants, where shares are held in demat mode.
15. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body's Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to [kanwalcs@gmail.com](mailto:kanwalcs@gmail.com) with a copy marked to [info@emmforce.com](mailto:info@emmforce.com). Institutional investors, who are members of the Company, are encouraged to attend and vote at the 1<sup>st</sup> Annual General Meeting of the Company.
16. Members are requested to register their e-mail id and support the green initiative efforts of the Company. Members are also requested to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail going forward.

17. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
18. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination to Company's Registrar and Share Transfer Agent, M/s Link Intime India Private Limited, in the prescribed Form SH13, which is available on the website of the Company. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
19. The 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
20. Members are requested to:
  - a. Intimate their latest bank account details viz. name and address of the branch of the bank with 9 digit MICR code of the branch & 11 digit IFSC code, type of account and account number, to the respective depository participant in case shares are held in demat mode and to the Company's Registrar and Share Transfer Agent, M/s Link Intime India Private Limited, in case shares are held in physical mode for payment of dividend through ECS / to incorporate this information on the dividend warrants and thus prevent fraudulent encashment of the warrants.
  - b. Intimate changes, if any, pertaining to their registered addresses, e-mail address, telephone/mobile numbers, nomination, power of attorney etc. to their respective depository participant in case shares are held in demat mode and to the Company's Registrar and Share Transfer Agent, M/s Link Intime India Private Limited, in case shares are held in physical mode.
  - c. Quote their folio numbers/Client ID/ DP ID in all correspondence.
  - d. Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.
21. The Company has been maintaining, inter alia, the following statutory registers at its registered office at Panchkula which are open for inspection by members in terms of the applicable provisions of the Act, from Monday to Friday from 10.00 a.m. to 12.30 p.m., except holidays:
  - i) Register of Contracts or arrangements in which directors are interested under section 189 of the Act. The said Register shall also be produced at the commencement of the AGM of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
  - ii) Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Act. The said Register shall be kept open for inspection at the AGM of the Company and shall be made accessible to any person attending the AGM.
22. Documents referred to in the Notice and the statement shall be open for inspection by the members at the registered office of the Company from Monday to Friday from 10.00 a.m. to 12.30 p.m., except holidays, up to the date of AGM.
23. Since the meeting will be held through VC / OAVM Facility, the route map is not annexed with the Notice.
24. In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-voting, i.e., September 23, 2024, such person may obtain the User ID and Password from RTA Link Intime India Limited by e-mail request on [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in). Alternatively, member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share

certificate (in case of physical folio) via e-mail at the e-mail id [info@emmforce.com](mailto:info@emmforce.com) for obtaining the Annual Report and Notice of AGM.

25. Mr. Kanwaljit Singh, a practicing Company Secretary (Membership No. F-5901) has been appointed by the Board of Directors of the Company as the Scrutinizer to scrutinize the remote e-voting process and e-voting at the Annual General Meeting in a fair and transparent manner.
26. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, unblock the votes cast through remote e-voting and e-voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by the Board who shall countersign the same.
27. The voting results shall be forwarded to BSE Limited, where the shares of the Company are listed, within 48 hours of the conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall also be placed on the Company's website [www.emmforce.com](http://www.emmforce.com) and on the website of Link Intime India Private Limited [www.linkintime.co.in](http://www.linkintime.co.in).
28. The resolutions shall be deemed to be passed on the date of the Annual General Meeting i.e. Monday, 30<sup>th</sup> September, 2024 subject to receipt of the requisite number of votes in favour of the resolutions.
29. Instructions for e-voting are as follows:

#### **A. Voting through electronic means:**

- i. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 the Company is providing its members, the facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the businesses as set out in the Notice above may be transacted through e-voting services. The facility of casting votes by a member using remote e-voting as well as e-voting during the AGM will be provided by RTA of the company Link Intime India Private Limited.
- ii. The members, who will be present in the AGM through VC facility and have not cast 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 facility during the meeting.
- iii. **The remote e-voting period commences on Friday, 27<sup>th</sup> September, 2024 (9:00 am) and ends on Sunday, 29<sup>th</sup> September, 2024 (5:00 pm).** During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on **the cut-off date i.e. 23.09.2024** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- iv. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- v. The details of the process and manner for remote e-voting are explained herein below:

#### **1) Login method for remote e-voting for individual shareholders holding securities in demat mode**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.



**Login method for Individual shareholders holding securities in demat mode is given below:**

**1. Individual Shareholders holding securities in demat mode with NSDL:**

**METHOD 1 - If registered with NSDL IDeAS facility**

**Users who have registered for NSDL IDeAS facility:**

- a) Visit URL: <https://eservices.nsd.com> and click on “Beneficial Owner” icon under “Login”.
- b) Enter user id and password. Post successful authentication, click on “Access to e-voting”.
- c) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**OR**

**User who have not registered for NSDL IDeAS facility:**

- a) To register, visit URL: <https://eservices.nsd.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp> “
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of NSDL:**

- a) Visit URL: <https://www.evoting.nsd.com/>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**2. Individual Shareholders holding securities in demat mode with CDSL:**

**METHOD 1 – If registered with CDSL Easi/Easiest facility**

**Users who have registered for CDSL Easi/Easiest facility.**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or [www.cdslindia.com](http://www.cdslindia.com).
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**OR**

**Users who have not registered for CDSL Easi/Easiest facility.**

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of CDSL.**

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**3. Individual Shareholders holding securities in demat mode with Depository Participant:**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

**Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

**A. User ID:**

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

*\*Shareholders holding shares in **NSDL form**, shall provide 'D' above*

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

► Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

#### **Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.

#### **Guidelines for Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”):**

##### **STEP 1 – Registration**

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person’s email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

##### **STEP 2 –Investor Mapping**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
  - a. ‘Investor ID’ -
    - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
    - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
  - b. ‘Investor’s Name - Enter full name of the entity.
  - c. ‘Investor PAN’ - Enter your 10-digit PAN issued by Income Tax Department.
  - d. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the “Report Section”.

##### **STEP 3 – Voting through remote e-voting.**

The corporate shareholder can vote by two methods, once remote e-voting is activated:

##### **METHOD 1 - VOTES ENTRY**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on ‘Votes Entry’ tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter ‘16-digit Demat Account No.’ for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
- f) After selecting the desired option i.e., Favour / Against, click on ‘Submit’.

- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**OR**

**VOTES UPLOAD:**

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**Helpdesk:**

**Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Forgot Password:**

**Individual shareholders holding securities in physical form has forgotten the password:**

If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

**Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

o Click on ‘**Login**’ under ‘**Corporate Body/ Custodian/Mutual Fund**’ tab and further Click ‘**forgot password?**’

o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**Process and manner for attending the General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “**Login**”.

▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

**Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

**Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013****Item No. 3**

M/s. Vijay Jindal & Associates, Chartered Accountants (Firm Registration Number: 010457N) were appointed as 1<sup>st</sup> statutory auditors of the Company to hold office till the conclusion of the 1<sup>st</sup> AGM of the company. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, M/s. Vijay Jindal & Associates is eligible for appointment for a period of five years. Based on the recommendation of the Audit Committee, the Board of Directors, have approved the appointment of M/s. Vijay Jindal & Associates, Chartered Accountants, as the statutory auditors of the Company, subject to the approval of the shareholders of the Company, to hold office for a term of five consecutive years from the conclusion of the ensuing AGM until the conclusion of the 6<sup>th</sup> AGM to be held in the year 2029. The Board of Directors on the recommendation of Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors.

Considering the experience and expertise of M/s Vijay Jindal & Associates and based on the recommendation of the Audit Committee, it is proposed to appoint M/s Vijay Jindal & Associates, Chartered Accountants, as statutory auditors of the Company for a term of five consecutive years till the conclusion of the 6<sup>th</sup> AGM of the Company in terms of the aforesaid provisions. Details required to be provided as per Regulation 36(5) in relation to the appointment of the Statutory Auditors is provided below:

<b>Particulars</b>	<b>Details</b>
Proposed fees payable to the statutory auditor(s)	Remuneration of Rs. 400000 p.a. (Rupees Four lac only) plus applicable taxes and reimbursement of out-of pocket expenses incurred be paid to M/s. Vijay Jindal & Associates, Chartered Accountants as the Auditors of the Company to conduct the audit for each financial year.  The Board of Directors of the Company subject to the recommendation of Audit Committee may alter the fee structure of auditors and take other permitted services from them as permitted under the Act/ Listing Regulations.
Terms of appointment	As detailed in resolution/ explanatory statement above.
Any material change in the fee payable to the new auditor from that paid to the outgoing auditor along with the rationale for such change	Not applicable
Brief Profile of the firm	Vijay Jindal & Associates, CA Firm is a leading provider of compressive financial services, offering expert guidance and solutions to individuals and businesses alike. With a team of highly skilled professionals, Firm specialize in a wide range of accounting, auditing, taxation, and advisory & consulting services tailored to meet the unique needs of their diverse clientele. Their commitment to excellence, integrity, and innovation sets them apart as trusted partners in financial success.

None of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

**ANNEXURE TO THE NOTICE****BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATIONS AND PROVISIONS OF THE ACT**

<b>Sr. No.</b>	<b>Details</b>	<b>Particulars</b>
1.	Name of the Director	Mrs. Neetu Mehta
2.	Director Identification Number	00319456
3.	Date of Birth & Age	Sep 13, 1973, 51 years
4.	Date of appointment	Appointed w.e.f. 13.10.2023
5.	Qualification	Bachelor of Science
6.	Expertise in specific functional area and experience	She has administrative experience of 11 years in Automotive industry
7.	Directorships of other Companies	Indian Companies:  Emmforce Mobility Solutions Private Limited Innovators E-Biz Private Limited Emmbros Automotives Private Limited  LLP: Emmversity Global Solutions LLP  Foreign Companies: Prospeedways LLC (Partner)
8.	Chairmanships/ Memberships of the Committees of the Board of Companies	She is member of Stakeholders Relationship Committee and Nomination and Remuneration Committee
9.	Number of Equity Shares of the Company held as on 11 <sup>th</sup> August, 2023	7499500 Equity shares (36.58%)
10.	No. of meetings of the Board attended during the financial year 2023-24	10
11.	Relationship with other Directors	Mr. Ashok Mehta (Husband) Mr. Azeez Mehta (Son)
12.	Terms of appointment	Originally appointed on the Board as Whole Time Director w.e.f. October 13, 2023 Further Re- designated as Non-Executive Director w.e.f. October 16, 2023.



**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting before you their 1<sup>st</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2024.

**FINANCIAL RESULTS**

The financial results of the Company for the 1<sup>st</sup> Financial year under review are summarized for your consideration:

(Amount in INR)

<b>Particulars</b>	<b>Standalone 1<sup>st</sup> FY ending on 31.03.2024</b>	<b>Consolidated 1<sup>st</sup> FY ending on 31.03.2024</b>
Gross Income	412390875	412829835
Expenses	336611106	337306103
Profit Before Interest and Depreciation	75779769	75523732
Finance Cost/Interest	8305040	8500343
Depreciation	9701907	10059681
Net Profit Before Tax	57772822	56963708
Provision for Tax	15112216	16080738
Net Profit After Tax	42660606	40882970

**STATE OF COMPANY'S AFFAIRS/ BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/HIGHLIGHTS/OPERATIONS**

This is the first financial year of the company. Our Company was originally formed as a partnership firm under the Indian Partnership Act, 1932 ("Partnership Act") in the name and style of "M/s. Emmforce Inc.", pursuant to a Deed of Partnership dated September 25, 2012 and it was thereafter converted from Partnership Firm to a Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of "Emmforce Autotech Limited" on October 13, 2023. Thereafter the company applied for listing its securities on SME Platform of BSE Limited and got listed on 29.04.2024.

**SUMMARY OF BUSINESS**

Our company is engaged in the business of manufacturing niche automotive drivetrain parts like Differential Housings, Differential Lockers, Differential Covers, 4WD Locking Hubs, Spindles, Axles & Shafts, Gear Shifters, Yokes, Differential Spools, Differential Tools and various differential forged / cast parts primarily for 4-wheel Drive and performance racing vehicles. The company has been engaged in exports ever since its inception. We have established itself as a manufacturer of Drivetrain Parts in India and is one stop shop for quality cost competitive drivetrain parts and providing out-of-the-box solutions to its customers through designing and development of complex / special parts.

**SHARE CAPITAL**

At the time of incorporation the initial authorized, issued, subscribed and paid up capital of the company was Rs. 15,00,00,000 consisting of 1,50,00,000 equity shares of Rs. 10 each.

This Authorized capital was increased to ₹21,00,00,000 (Twenty One Crore) divided into 2,10,00,000 (Two Crore Ten Lakhs) Equity Shares of ₹10 each pursuant to a resolution passed by our Shareholders in Extra-Ordinary General Meeting held on November 1, 2023. As on 31.03.2024 the issued, subscribed and paid up capital of the company was Rs. 15,00,00,000 only.

Thereafter in 2024-25, the company came out with Initial Public Offer on SME platform of BSE Limited for 54,99,600 equity shares of Rs. 10 each at a premium of Rs. 88 each which was fully subscribed.

The present issued, subscribed and paid-up share capital of the company as on date of this report is Rs. 20,49,96,000 consisting of 2,04,99,600 equity shares of Rs. 10 each.

- The Company has not bought back any of its securities during the year under review.
- The Company has not issued any Sweat Equity Shares or Employee Stock Option Schemes during the year under review.
- No Bonus Shares were issued during the year under review.
- The company has not issued any shares with differential voting rights during the financial year.

### **DIVIDEND**

This is the first year of incorporation of the company after its conversion from partnership firm to a limited company. The directors have not recommended any dividend for the current financial year.

### **RESERVES**

Entire amount of Net Profit of Rs. 426.61 lakhs has been transferred to Profit and Loss Surplus account, which appears under the head "Reserves and Surplus." No amount has been transferred to any other reserves.

### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

There were no funds pending which were required to be transferred to Investor Education and Protection Fund (IEPF).

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

The company was formed after conversion of partnership firm into a public limited company. The Board of directors of the company are as under:

Mr. Ashok Mehta: Managing Director  
 Mr. Azeez Mehta: Wholetime Director & CFO  
 Mrs. Neetu Mehta: Non Executive Woman Director  
 Mr. Raman Tewari: Independent Director  
 Mr. Manish: Independent Director

Mrs. Neetu Mehta was earlier appointed as Wholetime Director of the company. Subsequently she resigned from the office of wholetime director and continued as Non-Executive director w.e.f. 16.10.2023.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Neetu Mehta, Director of the Company retires by rotation in the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

As at the end of the financial year under review, the Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Name	Designation
Mr. Ashok Mehta	Managing Director
Mr. Azeez Mehta	Wholetime Director cum Chief Financial Officer
Ms. Parul Gupta	Company Secretary

- Mr. Ashok Mehta, appointed as Chairman & Managing Director w.e.f. October 13, 2023
- Mrs. Neetu Mehta, appointed as Whole Time Director w.e.f. October 13, 2023. Further, she was Re-designated as Non-Executive Director w.e.f. October 16, 2023
- Mr. Azeez Mehta appointed as Whole Time Director w.e.f. October 13, 2023 and also designated as Chief Financial Officer w.e.f. November 1, 2023.
- Mr. Raman Tewari appointed as Independent Director w.e.f. November 02, 2023.
- Mr. Manish appointed as Independent Director w.e.f. October 20, 2023.
- Ms. Parul Gupta was appointed as Company Secretary and Compliance Officer of the company w.e.f. December 1, 2023.

### **NUMBER OF MEETINGS OF BOARD**

During the year 2023-24, 10 (Ten) Board Meetings were held. The details regarding the dates of such Board Meetings along with the attendance of directors therein is provided hereunder:

Sr. No.	Date of Board Meeting	No. of Directors entitled	Attendance of Directors
1	13.10.2023	3	3
2	16.10.2023	3	3
3	20.10.2023	3	3
4	28.10.2023	4	4
5	01.11.2023	4	4
6	10.11.2023	5	4
7	01.12.2023	5	5
8	05.12.2023	5	4
9	26.12.2023	5	4
10	14.03.2024	5	4

Apart from the Board meetings, as per the provisions of Schedule IV of the Companies Act, 2013, a meeting of the Independent Directors of the company was held on 14.03.2024 which was attended by both the Independent Directors.

### **AUDIT COMMITTEE**

Your Directors wish to inform that in Compliance with Section 177 of the Companies Act, 2013 and in order to comply with the requirement of Regulation 18 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, an Audit Committee is duly constituted. The Audit Committee as on March 31, 2024 comprises of the following Directors:

Mr. Raman Tewari	Chairman	Non-Executive Independent Director
Mr. Manish	Member	Non-Executive Independent Director
Mr. Ashok Mehta	Member	Managing Director

Ms. Parul Gupta, the Company Secretary of the company acts as the Secretary of the Audit committee.

All members of audit committee are financially literate. 1 (One) audit committee meeting was held on 1<sup>st</sup> November 2023 in the financial year ending 31.03.2024.

Name of the Members of Audit committee	No. of meetings held	No. of Meetings attended
Mr. Raman Tewari	1	1
Mr. Manish	1	1
Mr. Ashok Mehta	1	1

Terms of reference of the Audit Committee are as per the governing provisions of the Companies Act (Section 177) & the Listing Regulations (Part C of Schedule II) and inter alia includes:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
  - changes, if any, in accounting policies and practices and reasons for the same
  - major accounting entries involving estimates based on the exercise of judgment by management
  - significant adjustments made in the financial statements arising out of audit findings
  - compliance with listing and other legal requirements relating to financial statements
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

### **NOMINATION & REMUNERATION COMMITTEE**

In terms of Regulation 19 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of section 178 of the Companies Act, 2013, Nomination & Remuneration Committee as on March 31, 2024 comprises of the following Directors

Mr. Manish	Chairman	Non-Executive Director	Independent
Mr. Raman Tewari	Member	Non-Executive Director	Independent
Mrs. Neetu Mehta	Member	Non-Executive Director	

Ms. Parul Gupta, Company Secretary of the company acts as the Secretary of the Nomination & Remuneration committee.

Terms of Reference of the NRC Committee are as follows:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose
- Decide the amount of Commission payable to the Whole Time Directors
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and

- To formulate and administer the Employee Stock Option Scheme

Two NRC meetings were held on 1<sup>st</sup> November 2023 and 1<sup>st</sup> December 2023 during the financial year ended on 31.03.2024. The details of meeting held of the Nomination and Remuneration Committee is as under:

Name of the Members of Nomination and remuneration Committee	No. of meetings held	No. of Meetings attended
Mr. Manish	2	2
Mr. Raman Tewari	2	2
Mrs. Neetu Mehta	2	2

### **REMUNERATION OF DIRECTORS**

Remuneration paid to Directors is decided by the Board on the recommendations of the Nomination and Remuneration Committee and approved by the shareholders at General Meetings.

The remuneration to directors during the year under review is as under:

Sr. No.	Name	Designation	Remuneration
1	Ashok Mehta	Managing Director	Rs. 50,00,000
2	Azeez Mehta	Wholetime Director cum Chief Financial Officer	Rs. 28,42,206

Apart from the above stated, there have been no other material pecuniary relationships or transactions by the Company with Non-executive directors during the year.

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

In terms of Regulation 20 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Stakeholders Relationship Committee is duly constituted with following composition as on March 31, 2024

Mr. Ashok Mehta	Chairman	Managing Director
Mrs. Neetu Mehta	Member	Non-Executive Director
Mr. Manish Verma	Member	Independent Director

Ms. Parul Gupta, Company Secretary of the company acts as the Secretary of the Stakeholders Relationship committee.

The details of Meetings attended by the members during the year are given below:

Name of the Members of Stakeholder Relationship Committee	No. of meetings held	No. of Meetings attended
Mr. Ashok Mehta	1	1
Mrs. Neetu Mehta	1	1
Mr. Mansih Verma	1	1

Terms of Reference of the Committee are as follows:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances
- Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

During the financial year, no investor complaints or grievances were received by the company and no such complaints were pending for redressal at the end of the financial year.

### **CODE OF CONDUCT**

The Board has laid down a well-defined Code of Ethics and Conduct (the "Code") to be followed by Board members and senior management of the Company. Duties of independent Directors, as specified under Companies Act, 2013, have been incorporated in the code. The code is available on the website of the company ([www.emmforce.com](http://www.emmforce.com)). All the Board members and Senior Management Personnel have affirmed compliance with the code. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

The Code is available on the website of the Company. In accordance with the Listing Regulations, all Directors and Senior Management personnel have affirmed compliance with this Code. A declaration signed by the Managing Director to this effect forms part of this report.

### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

All Independent Directors of the Company have given declarations that they meet the criteria of Independence as laid down under Section 149 (6) of the Companies Act, 2013 read over with Regulation 25 of SEBI (LODR) Regulations.

The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

### **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has zero tolerance policy in case of sexual harassment at workplace and is committed to provide a healthy environment to each and every employee of the Company. The Company has in place "Policy for Prevention and Redressal of Sexual Harassment" in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as 'the said Act') and Rules made there under. As per the provisions of Section 4 of the said

Act, the Board of Directors has constituted the Internal Complaints Committee (ICC) at the Registered Office of the Company to deal with the Complaints received by the Company pertaining to gender discrimination and sexual harassment at workplace.

Further, as per the provisions of Section 21 & 22 of the said Act, the Report in details of the number of cases filed under Sexual Harassment and their disposal for the financial year under review, is as under:

Sr. No.	No. of cases pending as on the beginning of the financial year under review	No. of complaints filed during the financial year under review	No. of cases pending as on the end of the financial year under review
1.	NIL	NIL	NIL

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

The shares of the company have been listed on SME Platform of BSE Limited w.e.f. 29.04.2024. Other than that there is no material changes or commitments, effecting the financial position of the Company happening between the end of the Financial Year of the Company and date of this Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

The requisite information has been given by way of an **Annexure-1** to this Report.

**CHANGES HAPPENING DURING THE FINANCIAL YEAR**

Your Directors wish to inform that there have not been any changes during the Financial Year under review:

- a. In the nature of Company's business
- b. Generally in the class of business in which the Company has an interest

**CORPORATE GOVERNANCE**

As per the provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, (LODR Regulations) the regulations 17-27 of the LODR Regulations pertaining to requirements of Corporate Governance are not applicable to the company. Hence the report on Corporate Governance is not applicable to the company.

**BUSINESS RESPONSIBILITY REPORT**

Regulation 34 (2) (f) the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

**POLICY ON DIRECTORS' APPOINTMENT AND POLICY ON REMUNERATION**

Pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors, KMP and other employees is attached as **Annexure-2**, which forms part of this report.



**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Management Discussion & Analysis Report for the year under review, as stipulated under Part B of Schedule V to the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section as **Annexure-3** forming part of this Annual Report.

**PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/EMPLOYEES**

The disclosure as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate **Annexure-4** forming part of this Report.

**PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors. Accordingly, following is the criteria for evaluation:

- a. Criteria for evaluation of the Board of Directors as a whole:
  - i. The Frequency of Meetings
  - ii. Quantum of Agenda
  - iii. Administration of Meetings
  - iv. Flow and quantity of Information from the Management to the Board
  - v. Number of Committees and their role.
  - vi. Overall performance of the Company
- b. Criteria for evaluation of the Individual Directors including Independent Directors;
  - i. Experience and ability to contribute to the decision making process
  - ii. Problem solving approach and guidance to the Management
  - iii. Attendance and Participation in the Meetings
  - iv. Personal competencies and contribution to strategy formulation
  - v. Contribution towards statutory compliances, monitoring of controls and Corporate Governance

The Independent Directors had met separately on 14.03.2024 without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors. The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The Directors express their satisfaction with the evaluation process.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Emmforce Mobility Solutions Private Limited (EMSPL) has become the subsidiary of the company w.e.f. December 19, 2023. Report on the performance and financial position of the subsidiary in the specified format AOC-1 is annexed to the Directors' Report as Annexure -5.

**STATUTORY AUDITORS**

M/s Vijay Jindal & Associates, Chartered Accountants, Chandigarh, were appointed as first Statutory Auditors of the Company to conduct the audit for financial year ending 31.03.2024. In the ensuing Annual General Meeting they are being appointed as statutory Auditors for next five years.

**STATUTORY AUDITORS REPORT**

The Auditors' Report being self-explanatory requires no comments from the Directors. Further, there are no reservations, qualifications or adverse remarks in the Audit Report given by them in respect of the Financial Year 2023-24.

**SECRETARIAL AUDITORS AND THEIR REPORT**

The provisions of Secretarial Audit were not applicable to the company for the financial year ended 31.03.2024. In the current financial year 2024-25, the company got listed and provisions of secretarial audit have become applicable. The Board has appointed Mr. Kanwaljit Singh, a Company Secretary in practice having CP no. 5870, as Secretarial Auditor of the Company for the financial years 2024-25 to 2029-30.

**COST AUDIT**

As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules, 2014, the requirements for the appointment of the Cost Auditors and the cost audit report are not applicable to the company during the financial year.

**FRAUDS REPORTED BY AUDITORS**

There are no frauds reported by auditors under sub-section (12) of section 143 including those which are reportable to the Central Government.

**CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements for the financial year ending 31.03.2024 are forming part of this annual report.

**INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

As required pursuant to provisions of section 134(1) (e) of the Act, the Company has a well placed, proper and adequate internal financial control system, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the Organization. The internal financial control system ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly.

**DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT**

The Company has in place a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company and also the comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically as per the Risk Management Policy of the Company, framed in terms of the Companies Act, 2013. The risks faced by the Company and their minimization procedures are assessed by the Board. Further, the Company identifies risks, and control systems are instituted to ensure that the risks in each business process are mitigated. The Board provides oversight and reviews the Risk Management Policy on a regular basis. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

**DEPOSITS**

The Company has neither accepted nor renewed any deposits during the Financial Year ending 31.03.2024 in terms of Chapter V of the Companies Act, 2013. Information in this regard, therefore, is nil. There was no non-compliance of requirement of Chapter V of Companies Act, 2013.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

**SECRETARIAL STANDARDS**

The Company has duly complied with the applicable Secretarial Standards on meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The details of familiarization programme for Independent Directors in respect of their roles, rights & responsibilities, nature of the industry in which Company operates, business model of the Company and related matters are communicated to the Independent Directors from time to time and are available on the website of the company at <https://emmforce.com/wp-content/uploads/2023/11/Familization-Programmes.pdf>.

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility were not applicable to the company during the financial year 2023-24.

**ANNUAL RETURN**

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the website of the company at [www.emmforce.com](http://www.emmforce.com).

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year the company has made investment in its subsidiary Emmforce Mobility Solutions Private Limited by acquiring 32,00,000 equity shares of Rs. 10 each.

The company has also extended unsecured loan to its subsidiary Emmforce Mobility Solutions Private Limited.

<b>Details of Loans</b>			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	Emmforce Mobility Solution Private Limited	1,21,50,000	For meeting the working capital requirements of the subsidiary.
<b>Details of Guarantees</b>			
Sr. No.	Name of Entity/Person	Amount	Purpose
1	Nil		

<b>Details of Investments</b>			
Sr. No.	Name of Entity/Person	Amount in Rs.)	Purpose
1.	Emmforce Mobility Solution Private Limited	3,20,00,000	Acquisition of shares of the company for meeting the working capital requirements of the subsidiary

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013**

All related party transactions that were entered into during the financial year were at arm's length, in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There were no material transactions made by the Company during the year that would have required Members' approval.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature.

The Company has adopted a policy to deal with related party transactions as approved by the Board of Directors. The detail of related party transactions is attached as **Annexure-6** in AOC-2.

### **VIGIL MECHANISM**

The Company has established a Vigil Mechanism cum Whistle Blower Policy in terms of Section 177 (10) of the Companies Act, 2013 and also in terms of and also in terms of Regulation 4 (2) (d) and Regulation 22 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **INDUSTRIAL RELATIONSHIPS**

Relations between the Management and the employees at all levels have been cordial and the Directors wish to express their appreciation for the cooperation and dedication of the employees of the Company.

**COMPLIANCE**

The company has devised proper systems to ensure compliance of all laws applicable to the company and the compliance reports issued by the Departmental Heads are placed before the Board every quarter confirming compliance by the Company with all applicable Laws.

**LISTING AND LISTING REGULATIONS**

The equity shares of the company are listed on the SME Platform of BSE Limited (BSE). The Company has also formulated the Policies as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable being listed on SME Platform.

The company is regular in paying the listing fee.

**INSIDER TRADING**

The Board of Directors has adopted The Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider trading policy of the company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation.

**DEMATERIALIZATION OF SHARES**

The Company's Equity Shares are in compulsory Demat mode in terms of SEBI Guidelines. This has been facilitated through arrangement with NSDL and CDSL. The entire shareholding of the company is in dematerialized form. M/s Link Intime India Pvt. Ltd, is acting as the Registrar and Share Transfer Agents for this purpose and acts as common share agency in terms of SEBI Guidelines.

**TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**SUMS DUE TO MICRO, SMALL & MEDIUM ENTERPRISES**

The details of dues towards Micro, small and medium enterprises is nil.

**ONE TIME SETTLEMENTS**

The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

**SUSTAINABILITY INITIATIVE**

Your Company is conscious of its responsibility towards preservation of natural resources and continuously takes initiatives to reduce consumption of electricity and water.

**CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

No Insolvency resolution process has been initiated/ filed by a financial or operational creditor or by the company itself under the IBC before the NCLT.

**ACKNOWLEDGEMENT**

Your Directors wish to express their sincere appreciation to valued Clients, Bankers, Statutory Authorities and Employees of the company for their continued support & co-operation.

Date: 03.09.2024  
Place: Panchkula

For and On behalf of the Board of Directors  
**Emmforce Autotech Limited**

Ashok Mehta  
Chairman cum Managing Director  
DIN : 00058188

**ANNEXURE -1 TO THE DIRECTORS' REPORT:-****a) Electricity Conservation**

Emmforce Autotech Limited, previously operating as a partnership firm, converted into a limited company on 13th October 2023. As part of our commitment to sustainable operations, we have been actively working towards optimizing our energy usage.

During the period of transition, our total electricity consumption amounted to 395,153 units. Recognizing the importance of energy conservation, we have implemented several measures to reduce our electricity consumption and improve energy efficiency across all operations.

(i)	the steps taken or impact on conservation of energy	<p><b>Upgrading to Energy-Efficient Equipment:</b> We are working on to begun the process of replacing older, energy-intensive machinery with newer, energy-efficient models.</p> <p><b>Optimization of Lighting Systems:</b> The transition to LED lighting and the introduction of motion sensors have helped in reducing unnecessary energy consumption.</p> <p><b>Employee Awareness Programs:</b> We have launched campaigns to educate and encourage our employees to adopt energy-saving practices in the workplace.</p> <p>These efforts are part of our broader commitment to environmental stewardship and operational efficiency. Moving forward, Emmforce Autotech Limited will continue to explore and implement additional energy conservation measures, ensuring that we operate in a manner that is both cost-effective and environmentally responsible.</p>
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(ii)	the steps taken by the company for utilizing alternate sources of energy	The company is exploring the cost-effectiveness of shifting to solar energy in the coming future.
(iii)	the capital investment on energy conservation equipment's	Nil

## (b) Technology absorption

As we are newly formed company that's why we have a plan plans for technology absorption in up coming financial years

(i)	the efforts made towards technology absorption	The company since beginning has been investing in latest technological equipment.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Latest technology absorption has helped the company in considerably been improving its products' quality as well as production, reducing the product cost and faster development.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	None
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed	NA
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA	
(iv)	the expenditure incurred on Research and Development	The company is highly focused on continuous improvement and new products designs through Research and Development but the business was converted from a Partnership wherein no separate accounting was done for expenditure on R&D. Henceforth the company plants to account for expenditure under this head for proper reporting in future.

## C. Foreign exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows (both on consolidated basis) is as under:

Foreign Currency Transactions (in Equivalent INR)	AS AT 31.03.2024
Foreign Currency Earnings	39,18,21,267.00
Foreign Currency Expenditure	33,11,484.00

**ANNEXURE -2 TO THE DIRECTORS' REPORT:-****NOMINATION AND REMUNERATION POLICY****Introduction:**

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee, in compliances with Section 178 of the Companies Act, 2013 read along with applicable rules thereto.

**Objectives of the Committee:**

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. Formulation of criteria for evaluation of the Independent Director and to carry out evaluation of every Director's performance and to provide necessary report to the Board for further evaluation.
- iii. Devising a policy on Board diversity.
- iv. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- v. To provide to Key Managerial Personal and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- vi. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- vii. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- viii. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- ix. To perform such other functions as may be necessary or appropriate for the performance of its duties.
- x. To develop a succession plan for the Board and to regularly review the plan. Definitions:
  - **"Act"**:- Act means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
  - **"Board"**:-Board means Board of Directors of the Company.
  - **"Director"**:-Directors means Directors of the Company.
  - **"Committee"**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
  - **"Company"**:- Company means Emmforce Autotech Limited
  - **"Independent Director"**:- As provided under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the Company:
    - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;



- b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. apart from receiving director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two percent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives —
- i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
- ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; of-
- (A). a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate Company; or
- (B). any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;
- iii. holds together with his relatives two per cent or more of the total voting power of the Company; or
- iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
- f. who possesses such other qualification as may be prescribed under the applicable statutory provisions/ regulations
- g. is a material supplier, service provider or customer or a lessor or lessee of the Company;
- h. who is not less than 21 years of age.
- “Key Managerial Personnel”:- Key Managerial Personnel (KMP) means-
- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the Whole-Time Director;
- (iii) the Company Secretary;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the applicable statutory provisions/ regulations
- “Senior Management”:- The expression “senior management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

- **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- **“Policy or This Policy”** means, “Nomination and Remuneration Policy”.
- **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### Guiding Principles

The Policy ensures that

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
  - ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - iii Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### **Applicability:**

The Policy is applicable to

- i. Directors (Executive and Non Executive)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel
- iv. Employees

#### **Constitution of the Nomination and Remuneration Committee:**

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company’s policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee comprises of following Directors:

1. Mr. Manish, Chairman (Non-Executive Independent Director)
2. Mr. Raman Tiwari, Member (Non-Executive Independent Director)
3. Mrs. Neetu Mehta, Member (Non-Executive Director)

#### **Membership:**

- a. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c. Membership of the Committee shall be disclosed in the Annual Report.
- d. Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **Chairman:**

- a. Chairman of the Committee shall be an Independent Director.

- b. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**Frequency of Meetings:**

The Committee shall meet at such regular intervals as may be required.

**Committee Members' Interests:**

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**Secretary:**

- a. The Company Secretary of the Company shall act as Secretary of the Committee.

**Voting:**

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**General Appointment Criteria:**

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
  - ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
  - iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.
  - iv. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**Term / Tenure:**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time.

- 1. Managing Director/Whole-time Director/Manager (Managerial Person):- The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director: - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves as an Independent Director.

**Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**Criteria for Evaluation of the Board:**

Following are the Criteria for evaluation of performance of the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets/Criteria given to executive Directors by the Board from time to time

2. Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- (a) act objectively and constructively while exercising their duties;
- (b) exercise their responsibilities in a bona fide manner in the interest of the Company;
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) refrain from any action that would lead to loss of his independence
- (f) inform the Board immediately when they lose their independence,
- (g) assist the Company in implementing the best corporate governance practices.
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

- (j) strive to attend the general meetings of the Company;
- (k) keep themselves well informed about the Company and the external environment in which it operates;
- (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- (n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading etc.

**Policy on Board diversity:**

The Board of Directors shall have the optimum combination of Directors from the different areas/fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and financially literate.

**Remuneration:**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole Time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

**General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay: Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever

required.

2. **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. **Provisions for excess remuneration:** If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

#### **Remuneration to Non-Executive / Independent Director:**

1. **Remuneration / Commission:** The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

2. **Sitting Fees:** The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. **Limit of Remuneration /Commission:** Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

#### **Minutes of Committee Meeting:**

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

#### **Deviations from this policy**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

### **ANNEXURE-3 TO THE DIRECTORS' REPORT**

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

##### **BUSINESS OVERVIEW**

Our company is engaged in the business of manufacturing niche automotive drivetrain parts like Differential Housings, Differential Lockers, Differential Covers, 4WD Locking Hubs, Spindles, Axles & Shafts, Gear Shifters, Yokes, Differential Spools, Differential Tools and various differential forged / cast parts primarily for 4-wheel Drive and performance racing vehicles. The company has been engaged in exports ever since its inception. We have established itself as a manufacturer of Drivetrain Parts in India and is one stop shop for quality cost competitive drivetrain parts and providing out-of-the-box solutions to its customers through designing and development of complex / special parts.

We offer fully integrated engineering solutions from conceptualization, development and validation to implementation and manufacturing of our products. The conceptualization stage involves acquiring market intelligence, assessing customer requirement and formulating customized strategy for individual customers. The development phase includes product designing, material procurement and processing. This is followed

by the validation phase, which involves prototyping, testing and feasibility analysis. Our in-house manufacturing and implementation competencies include forging, machining, fabrications, heat treatment, surface finish, logistics, quality and testing, design and validation.

### **FINANCIALS**

The financial performance of the Company for the financial year ended March 31, 2024 is given in the director's report.

### **SWOT Analysis**

#### Strengths:

- Our diverse product range of drivetrain parts manufactured under one roof gives us a market edge from most of the competitors.
- A number of the parts manufactured by us are niche with very limited competition
- Strong Long Term Customer relationships and Diverse Customer base allows to understand the upcoming requirements of the customers and helps us upsell / cross sell.
- New products in the pipeline for development are also very niche and highly scalable
- Integrated Manufacturing facilities and modern machinery helps us reduce the lead time of the customer and reduce dependence on outsourcing processes.
- Experienced Management and Skilled employee base
- Strong R&D and automation capabilities inhouse gives us an edge over competition
- Strong Engineering, Product Development and technological capabilities help us in enhancing our product range and improve manufacturing processes.
- Sustained Financial Performance and Strong Financial Position
- Proactive, market and customer centric approach of the management helps the company retain its customer base.

#### Weaknesses

- Low bargaining power with suppliers as some parts that we make have low volume of sales

#### Opportunities

- Huge Growth Potential in our product segment with global OEMs and large product distribution companies.
- Huge Growth Potential in untapped segments like Agriculture, Off Highway, EV, railways, defence etc.
- Huge Potential to grow in untapped territories like Europe, South America, Africa, Middle East, Asia Pacific and India

#### Threats

- Increased Competition from Local & Big Players may come
- Major change in Government Policies to curb exports
- Geo-political crisis between India and the countries we export to.

### **OUR CLIENT BASE**

Our reach and presence in the industry can be comprehended by looking at our distinguished list of clientele. They have been dealing in their respected disciplines from years. Our clients are spread across wide variety of sectors. Our strategy is to seek new customers and at the same time secure additional engagements from existing customers by providing timely and improved services.

We believe that our current capabilities and plans will ensure that we are well positioned to attract and develop new customer relationships. Business from new customers is accepted upon consideration of factors such as alignment of capabilities and customer expectation, volume of business and future business, potential for close partnership with long-term association, and an analysis of upfront costs.

**INDUSTRY STRUCTURE & DEVELOPMENT**

India's auto component industry is an important sector driving macroeconomic growth and employment. The industry comprises players of all sizes, from large corporations to micro entities, spread across clusters throughout the country. The auto components industry accounted for 2.3% of India's GDP and provided direct employment to 1.5 million people. By 2026, the automobile component sector will contribute 5-7% of India's GDP. The Automotive Mission Plan (2016-26) projects to provide direct incremental employment to 3.2 million by 2026

**INFORMATION TECHNOLOGY**

Our company constantly upgrades its technology both in terms of hardware and software. This also helped installing a good management information system for the management to get timely information for decision making.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Our Company has built adequate systems of internal controls towards achieving efficiency and effectiveness in operations, optimum utilization of resources, and effective monitoring thereof as well as compliance with all applicable laws. The internal control mechanism comprises a well-defined organization structure, documented policy guidelines, predetermined authority levels and processes commensurate with the level of responsibility.

**HUMAN RESOURCES**

Our Company believe that our employees are key contributors to our business success and its ability to maintain growth depends to a large extent on our strength in attracting, training, motivating and retaining employees. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

**SALES AND MARKETING**

In the fast-paced world of business, where customer satisfaction is paramount. The synergy between their sales and marketing operations creates a seamless experience for customers, ensuring that they receive everything they need, precisely when they need it. This customer-centric approach is the cornerstone of success of Emmforce.

**COMPETITION**

The automotive component industry is extremely competitive. We do face competition from manufacturers of a few of the items that we manufacture. Our high focus on R&D and Engineering supported by highly customer centric approach, reduced lead times, a big range of products that we offer to each customer with low volumes and small minimum order quantities keeps the competition at bay. Our customer retention ratio is very high as we have been able to bestow so much faith in the minds of our customers due to high quality of our products, ethical business practices, ability to pick up complex projects and deliver to their expectations.

Unlike other players in the automotive parts where they are highly dependent on OEMs where competition is very high, our company has made a special space in 4WD and performance racing industry for drivetrain parts where product quality requirements 120

are far stringent than OEM parts, parts are complex, volumes are low by learning the art of managing low batch production parts in an efficient way and offering innovative solutions to customers where they can have an edge in the market over their competition.

**RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties.



The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

## OTHER KEY INDICATORS

The key ratios as per the latest amendment to Schedule III are as below:

Details of Ratios		Year ended 31.03.2024	Year ended 31.03.2023	% Variance
<b>(1) Current Ratio (Times)</b> Current Assets Current Liabilities	Ratio	1.31	-	-
	Numerator	43,08,28,816	-	
	Denominator	32,88,73,254	-	
<b>(2) Net Debt Equity Ratio (Times)</b> Debt capital (Long term borrowings +Short term borrowings) Shareholder's Equity (Total Equity)	Ratio	1.47	-	-
	Numerator	28,29,50,035	-	
	Denominator	19,26,60,606	-	
<b>(3) Debt service coverage ratio (Times)</b> Profit after tax + Finance costs+ Depreciation and amortization expenses + Loss/(Gain) on sale of Property Plant & Equipment + Exceptional items Finance Costs + lease payments + Scheduled principal repayments of long term borrowings	Ratio	7.30	-	-
	Numerator	6,06,67,553	-	
	Denominator	83,05,040	-	
<b>(4) Return on Equity (%)</b> Profit after tax (PAT) Shareholder's Equity	Ratio	22.14	-	-
	Numerator	4,26,60,606	-	
	Denominator	19,26,60,606	-	
<b>(5) Inventory turnover ratio (in days)"</b> Revenue from operations Average Inventory (Opg Inventory + Clg Inventory)	Ratio	40.04	-	-
	Numerator	40,02,71,519	-	
	Denominator	9,42,86,735	-	
<b>(6) Debtors turnover ratio (in days)</b> Revenue from operations Average trade receivables (Opg + Clg Trade Receivables)	Ratio	87.68	-	-
	Numerator	40,02,71,519	-	
	Denominator	20,64,55,938	-	
<b>(7) Trade payables turnover ratio (in days)</b> Total Purchases	Ratio	96.77	-	-
	Numerator	25,80,22,625	-	

Average Trade Payables (Opg + Clg Trade Payables)	Denominator	14,68,80,386	-	
<b>(8) Net capital turnover ratio (in days)</b>	Ratio	61.75	-	-
Revenue from operations	Numerator	40,02,71,519	-	
Working Capital + current maturities of long term borrowings	Denominator	14,53,84,009	-	
<b>(9) Net profit ratio (%)*</b>	Ratio	10.34	-	-
Profit for the year	Numerator	4,26,60,606	-	
Total Revenue	Denominator	41,23,90,875	-	
<b>(10) Return on Capital Employed (%)"</b>	Ratio	19.98	-	-
Earning before interest and taxes	Numerator	6,60,77,862	-	
Tangible Net Worth + Total Debt + Deferred Tax Liabilities	Denominator	33,07,34,847	-	
<b>(11) Return on investment (%)</b>	Ratio	-	-	-
Income generated from invested funds	Numerator	-	-	
Time weighted average invested funds in investments	Denominator	3,20,00,000	-	

The company was incorporated on 13.10.2024. Hence the previous year's figures are not applicable.

#### **ANNEXURE-4 TO THE DIRECTORS' REPORT**

#### **DETAILS 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) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2023-24, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2023-24.

Sr. No.	Name of Director/KMP	Designation	The Ratio of the remuneration of each Director to the median remuneration of the employees	The percentage increase in remuneration
1.	Ashok Mehta	Chairman cum Mg Director	21.5	Nil
2.	Azeez Mehta	Wholetime Director	12.2	Nil
3.	Azeez Mehta	CFO		
4.	Parul Gupta	CS	0.27	Nil

ii. The percentage increase in the median remuneration of Employees for the financial year was 0%

iii. The Company has 137 permanent Employees on the rolls of Company as on 31<sup>st</sup> March, 2024.

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

v. Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

**Top Ten Employee Information as on 31<sup>st</sup> March 2024 (Excluding Director and CFO of The Company)**

Name	Annual Salary(CTC)	Qualification	Experience	Last Employment	No. of shares held in the company
SANDEEP GABA	2500000	Diploma Machelor Enginner & GNIIT ADCA	26 Years	CAMPUS ACTIVEWEAR LTD	Nil
ANIL KUMAR SEHNAN	2496008	B Tech	23 Years	G.N.A ENTERPRISES LTD	Nil
VISHAL GAMBHIR	2400000	B.Tech Mechanical & MBA Marketing	21 years	EISCO INDUSTRIAL	Nil
SWAMY KAULESH CHINMAY	1599992	MBA IT	21 Years	OPENENTERPRISES SOLUTION PVT LTD	Nil
KESHAV HANDA	1497600	B tech	21 Years	BHAGWAN PRECISION PRIVATE LIMITED	Nil
BHUPENDRA SHARMA	1400000	B Tech	12 Years	GHAZIABAD PRECISION PRODUCTS PVT LTD	Nil
SANJAY KUMAR CHOUDHARY	1299992	B Tech	21 Years	JCBL LTD	Nil
VIRENDER DUBEY	1271996	MBA Finance	16 Years	MAXTAR BIO GENICS	Nil
RAJEEV KUMAR	1200000	BSC	17 Years	UNITHERM ENGINEERS LTD	Nil
Ramehar	1121192	B tech	18 years	Uniparts India Limited	Nil

**ANNEXURE-5 TO THE DIRECTORS' REPORT**

**Form AOC-1**

(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**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

	Particulars	Details
1	Name of the subsidiary	EMMFORCE MOBILITY SOLUTIONS PRIVATE LIMITED
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2023 – 31-03-2024
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	4,00,00,000.00
5	Reserves & surplus	(17,77,736.00)
6	Total assets	19,01,68,974.00
7	Total Liabilities	15,19,46,710.00
8	Investments	Nil
9	Turnover	4,38,960.00
10	Profit/(Loss) before taxation	(8,09,114.00)
11	Provision for taxation	NIL
12	Deferred Tax	9,68,622.00
13	Profit after taxation	(17,77,736.00)
13	Proposed Dividend	NIL
14	% of shareholding	80.00%

**Notes:** The following information shall be furnished at the end of the statement:

**Part "B": Associates and Joint Ventures**

**Nil**

**ANNEXURE -6 TO THE DIRECTORS' REPORT**

**FORM NO. AOC -2**

**(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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis. – **NIL**
2. Details of contracts or arrangements or transactions at Arm's length basis

a)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/s Emmforce Mobility Solutions Pvt Ltd
b)	Nature of contracts/ arrangements/ transaction	Investment made in Equity of Subsidiary Company (Emmforce Mobility Solutions Pvt Ltd) -3200000 shares of Rs. 10/- each. Unsecured Loan made for Rs. 1,21,50,000
c)	Duration of the contracts/ arrangements/ transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Investment in equity shares at par and lending of unsecured loan
e)	Justification for entering into such contracts or arrangements or transactions'	The company has invested in the shares and also given the loan to Emmforce Mobility Solution Pvt Ltd to fund the working capital requirement of the subsidiary.
f)	Date of approval by the Board	26.12.2023
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

b)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mrs. Neetu Mehta, Director (Relative of Managing Director)
b)	Nature of contracts/ arrangements/ transaction	Rent paid to Mrs. Neetu Mehta (Director)
c)	Duration of the contracts/ arrangements/ transaction	As Mutually agreed
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Transactions with promoter at market value INR 10.00 lacs
e)	Justification for entering into such contracts or arrangements or transactions'	The Company is using the premises of promoter and paying the rent as per market rate. As such, this Transaction is justified and is in the interests of the Company. Arm's length business transaction.
f)	Date of approval by the Board	NA.
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

c)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Emmbros Automotives Pvt, Ltd.

b)	Nature of contracts/ arrangements/ transaction	Sale of Goods
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 27,31,773
e)	Justification for entering into such contracts or arrangements or transactions'	Arm's length normal business transactions
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

d)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Emmbros Automotives Pvt, Ltd.
b)	Nature of contracts/ arrangements/ transaction	Purchase of Goods
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 8,78,65,156
e)	Justification for entering into such contracts or arrangements or transactions'	Arm's length normal business transactions
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

e)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	M/s Prospeedways LLC USA
b)	Nature of contracts/ arrangements/ transaction	Sale of Goods
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 3,75,66,294
e)	Justification for entering into such contracts or arrangements or transactions'	Arm's length normal business transactions
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NIL

h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA
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f)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mr. Ashok Mehta, Managing Director
b)	Nature of contracts/ arrangements/ transaction	Interest on unsecured Loan
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 15,97,030
e)	Justification for entering into such contracts or arrangements or transactions'	Arm's length normal business transactions
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

g)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mrs. Neetu Mehta, Director (Relative of Managing Director)
b)	Nature of contracts/ arrangements/ transaction	Interest on unsecured Loan
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 22,68,737
e)	Justification for entering into such contracts or arrangements or transactions'	Arm's length normal business transactions
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

h)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mr. Azeez Mehta, Wholetime Director (Relative of Managing Director)
b)	Nature of contracts/ arrangements/ transaction	Interest on unsecured Loan

c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 51,440
e)	Justification for entering into such contracts or arrangements or transactions'	Arm's length normal business transactions
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

i)

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Ashok Mehta HUF (HUF of Managing Director)
b)	Nature of contracts/ arrangements/ transaction	Interest on unsecured Loan
c)	Duration of the contracts/ arrangements/ transaction	Continuous
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 1,07,331
e)	Justification for entering into such contracts or arrangements or transactions'	Arm's length normal business transactions
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

### **DECLARATION OF THE MANAGING DIRECTOR**

This is to certify that the Company has laid down code of conduct for all Board Members and Senior Management of the Company and the copies of the same is uploaded on the website of the Company [www.emmforce.com](http://www.emmforce.com) Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the code applicable to them during the year ended March 31, 2024.

Place: Panchkula  
Date: 03.09.2024

SD/-  
Ashok Mehta  
Managing Director  
DIN: 00058188



**Disclosures under Para A of Schedule V of Listing Regulations**

SR. NO.	In the account of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1	Holding Company	<ul style="list-style-type: none"> <li>• Loans and advances in the nature of loans to subsidiaries by name and amount. Rs. 1,21,50,000</li> <li>• Loans and advances in the nature of loans to associates by name and amount. Nil</li> <li>• Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount Rs. 1,21,50,000</li> </ul>
2	Subsidiary	<ul style="list-style-type: none"> <li>• Loans and advances in the nature of loans to subsidiaries by name and amount. Rs. 1,21,50,000</li> </ul>
3	Holding Company	of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan. :

For details of transactions of the Company with the person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, if any, kindly refer to "Related Party Transaction" provided in notes to financial statements.

Place: Panchkula  
Date:30.05.2024

SD/-  
Ashok Mehta  
Managing Director  
DIN: 00058188



# Vijay Jindal & Associates

Chartered Accountants

#1299, 2<sup>nd</sup> Floor, Sector 15-B, Opp. Post Office, Chandigarh-160015 U.T.

Tel: 0172-2541299, 2771299, Email: VijayJindal26@Gmail.com

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## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Emmforce Autotech Limited**

**CIN - U29301HR2023PLC115705**

**Panchkula**

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying Standalone Financial Statements of **Emmforce Autotech Limited** ("the Company"), which comprise the Standalone Balance sheet as at **March 31, 2024**, the Standalone statement of Profit and Loss and the Standalone Statement of Cash Flows for the year then ended, and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information ("the Standalone Financial Statements").

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, as amended ("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 **31<sup>st</sup> March 2024**, and its Profit and its Cash Flows for the year ended on that date.

#### Basis for Opinion

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 ("ICAI") 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 obtained us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

#### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's report and Business Responsibility Report, but does not include the 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 during the course of our audit or otherwise appears to be materially misstated, If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

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

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 Financial Statements.

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

- Identify and assess the risks of material misstatement of the 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting in preparation of the Standalone Financial Statements 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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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**

1. As required by the Companies (Auditor's Report) Order 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable to the company.
2. (A) 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.
  - c) The Balance Sheet, the Statement of Profit and Loss 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on **31<sup>st</sup> March 2024** taken on record by the Board of Directors, none of the directors is disqualified as on **31<sup>st</sup> March 2024** from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with the
  - h) requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with provision of section 197 of the Act.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us.
  - a) The Company does not have any pending litigations which would impact its financial position.
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
  - d)

- The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 (“Ultimate Beneficiaries”) by or on behalf of the Company or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- ii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.
- e) The Company has not declared or paid any dividend during the year. Hence, the Company is not required to comply with the provision of the Section 123 of the Act.
- f) The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Dated: 30.05.2024  
Place: Chandigarh  
UDIN Ref No. 24089159BKDSZC7215

For Vijay Jindal & Associates  
Chartered Accountants  
Firm Regn. No. 010457N

**-Sd-**

(Vijay Jindal, FCA, Prop.)  
M.No. 89159

**"Annexure A" to the Independent Auditor's Report of even date on the Financial Statements of EMMFORCE AUTOTECH LIMITED for the year ended 31st March 2024**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The major Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company except for Factory land at Baddi which continues still in the name of erstwhile firm to which the company succeeded on conversion from partnership firm. The company's business was established pursuant to conversion of M/s Emmforce Inc, a partnership firm. The land still has not been transferred in company name as the management has taken up the process with relevant Govt Authorities. The matter is still under process with relevant authorities for transfer to land in company's name.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
- (b) The company has been sanctioned working capital limits in excess of five Crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;
- (iii) During the year the company has not made investments in, not provided any guarantee or security or not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
- (a) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.
- (b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
- (c) According to the information and explanation given to us, this clause of schedule of repayment of the principal amount and the payment of the interest is not applicable in the absence of any loan or advance in the nature of loan given by company.
- (d) According to the information and explanation given to us, this clause of overdue amount in these respect is not applicable in the absence of any loan or advance in the nature of loan given by company.
- (e) According to the information and explanation given to us, this clause in respect of any loan or advance in the nature of loan granted which has fallen due during the year, renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties is not applicable in the absence of any loan or advance in the nature of loan given by company.

(f) The company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, required details in respect thereof are as below:

The aggregate amount	Percentage thereof to the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013
Nil	Nil	Nil

- (iv) According to the information and explanation given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit;
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing 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 any other statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of 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 any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- (ix) (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- (b) Company is not declared wilful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;
- (d) According to the information and explanation given to us, funds raised on short term basis have not been utilised for long term purposes;
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year;
- (b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year;

- (b) According to the information and explanation given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanation given to us, no whistle-blower complaints, received during the year by the company;
- (xii) Company is not a Nidhi company, accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company;
- (xiii) According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013.
- (xiv) (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the reports of the Internal Auditors for the period under audit;
- (xv) According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly the provisions of clause 3(xvi) (a) to 3(xvi) (c) of the Order are not applicable;
- (xvii) According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable 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) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

Dated: 30.05.2024  
Place: Chandigarh

For Vijay Jindal & Associates  
Chartered Accountants  
Firm Regn. No. 010457N

-Sd-

(Vijay Jindal, FCA, Prop.)  
M.No. 89159



## **“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of**

### **Emmforce Autotech Limited**

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

**Referred to in paragraph under “Report on Other Legal and Regulatory Requirements” section of our report of even date.**

#### **Opinion**

We have audited the internal financial controls over financial reporting of **Emmforce Autotech Limited** (“the Company”) as of **March 31, 2024** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at **31 March 2024**, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”)

#### **Management’s Responsibility for Internal Financial Controls**

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 internal control stated in the Guidance Note of on Audit of Financial Controls over Financial Reporting 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 fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

Dated: 30.05.2024

Place: Chandigarh

For Vijay Jindal & Associates  
Chartered Accountants  
Firm Regn. No. 010457N

**-Sd-**

(Vijay Jindal, FCA, Prop.)  
M.No. 89159

**M/s EMMFORCE AUTOTECH LIMITED**  
**(CIN - U29301HR2023PLC115705)**  
**STANDALONE BALANCE SHEET AS AT 31st March 2024**

Particulars	Note No.	Current Year (14.10.23 to 31.03.2024)	Previous Year
		Fig. in 000'	Fig. in 000'
<b>I. EQUITY AND LIABILITIES</b>			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	2.1	150000	-
(b) Reserves and Surplus	2.2	42661	-
(c) Money received against Share Warrants		192661	-
<u>(2) Share Application money pending allotment</u> (Including Share premium)		-	-
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	2.3	137566	-
(b) Deferred Tax Liabilities (Net)	2.4	508	-
(c) Other Long Term Liabilities	2.5	-	-
(d) Long Term Provisions		138074	-
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings	2.6	145384	-
(b) Trade Payables	2.7		-
- Micro Enterprises & Small Enterprises		26205	
- Other than Micro Enterprises & Small Enterprises		120675	
(c) Other Current Liabilities	2.8	22005	-
(d) Short-Term Provisions	2.9	14604	-
		328873	-
Total Equity & Liabilities		659608	-
<b>II. ASSETS</b>			
<u>(1) Non-Current Assets</u>			
a) Property, Plant & Equipments & Intangible Assets			
i) Property, Plant & Equipments	2.10	194467	-
ii) Intangible Assets		-	-
iii) Capital Work in Progress		-	-
iv) Intangible Assets under development			
(b) Non-current investments	2.11	32000	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	2.12	-	-
(e) Other non-current assets	2.13	2312	-
		228779	-
<u>(2) Current Assets</u>			
(a) Current investments			
(b) Inventories	2.14	94287	-
(c) Trade receivables	2.15	206456	-
(d) Cash and cash equivalents	2.16	1950	-
(e) Short-term Loans and Advances	2.17	115839	-
(f) Other current assets	2.18	12297	-
		430829	-
Total Assets		659608	-

Significant Accounting Policies & Notes on Financial Statements

- Notes 1, 2 - 2.44

For Emmforce AutoTech Limited

AS PER REPORT OF EVEN DATE ATTACHED  
FOR VIJAY JINDAL & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 010457N

**-Sd-**

(CA. Vijay Jindal)

M. No. 089159

FRN: 010457N

Place: Chandigarh

Date: 30.05.2024

UDIN Ref. No. 24089159BKDSZC7215

**-Sd-**

(Ashok Mehta)

Director

(DIN 00058188)

**-Sd-**

(Neetu Mehta)

Director

(DIN 00319456)

**-Sd-**

(Azeez Mehta)

WTD cum CFO

(DIN 10353827)

**-Sd-**

(Parul Gupta)

Company Secretary

(PAN - ASAPG4530D)

**M/s EMMFORCE AUTOTECH LIMITED**  
(CIN - U29301HR2023PLC115705)

**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE PERIOD FROM 14.10.2023 TO 31.03.2024**

Particulars	Note No.	Current Year (14.10.23 to 31.03.2024)	FOR YEAR ENDING ON 31.03.2023
		Fig. in 000'	Fig. in 000'
<b>INCOME</b>			
Revenue from operations	2.19	400272	-
Other Income	2.20	12119	-
Total Revenue		412391	-
<b>EXPENDITURE</b>			
Cost of materials consumed	2.21	249703	-
Changes in inventories of finished goods and work-in-progress	2.22	9956	-
Other Manufacturing Expenses	2.23	2941	-
Employee Benefit Expense	2.24	35375	-
Financial Costs	2.25	8305	-
Depreciation and Amortization Expense	2.26	9702	-
Other Expenses	2.27	38637	-
Total Expenses		354618	-
Profit( Loss) before tax		57773	-
<u>Tax expense:</u>			
(1) Current tax		14604	-
(2) Deferred tax		508	-
Profit(Loss) for the year		42661	-
Earning per equity share of face value of Rs. 10 each Basic and diluted (Absolute Fig.)		2.84	-
Significant Accounting Policies & Notes on Financial Statements Notes 1, 2 - 2.44			
AS PER REPORT OF EVEN DATE ATTACHED FOR VIJAY JINDAL & ASSOCIATES CHARTERED ACCOUNTANTS FRN: 010457N		For Emmforce AutoTech Limited	
-Sd-	(Ashok Mehta) Director (DIN 00058188)	-Sd- (Neetu Mehta) Director (DIN 00319456)	
(CA. Vijay Jindal) M. No. 089159	-Sd- (Azeez Mehta) WTD cum CFO (DIN 10353827)	-Sd- (Parul Gupta) Company Secretary (PAN - ASAPG4530D)	
Place: Chandigarh Date: 30.05.2024 UDIN Ref. No. 24089159BKDSZC7215			

**M/s EMMFORCE AUTOTECH LIMITED**  
(CIN - U29301HR2023PLC115705)

**STANDALONE CASH FLOW STATEMENT FOR THE PERIOD FROM 14.10.2023 TO 31.03.2024**

Particulars	Current Year (14.10.23 to 31.03.2024)	31.03.2023
	Fig. in 000'	Fig. in 000'
<b>Cash flows from operating activities</b>		
Profit before taxation	57773	-
<b>Adjustments for:</b>		
Depreciation & Amortization	9702	-
Investment income - Interest Received	-39	-
Interest expense	8305	-
(Profit) / Loss on the sale of property, plant & equipment	-18	-
<b>Working capital changes:</b>		
(Increase) / Decrease in trade and other receivables	-334592	-
(Increase) / Decrease in inventories	-94287	-
Increase / (Decrease) in trade & other payables	168885	-
<b>Cash generated from operations</b>	<b>-184271</b>	<b>-</b>
Interest paid	-8305	-
Income taxes paid	-	-
Dividends paid	-	-
<b>Net cash from operating activities</b>	<b>-192576</b>	<b>-</b>
<b>Cash flows from investing activities</b>		
Business acquisitions, net of cash acquired	-	-
Purchase of property, plant and equipment (Fixed Assets)	-205001	-
Proceeds from sale of equipment	850	-
Investment in Subsidiary	-32000	-
Acquisition of portfolio investments	-	-
Investment income - Interest Received	39	-
Increase in Non Current Assets	-2312	-
<b>Net cash used in investing activities</b>	<b>-238423</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	150000	-
Proceeds from (Repayment of) long-term borrowings	49996	-
Proceeds from (Repayment of) Unsecured Loan	87570	-
Increase/Decrease in Short Term Borrowings	145384	-
Increase/Decrease in Long Term Loans & Advances	-	-
<b>Net cash used in financing activities</b>	<b>432950</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>1950</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>1950</b>	<b>-</b>

For Emmforce AutoTech Limited

AS PER REPORT OF EVEN DATE ATTACHED

**FOR VIJAY JINDAL & ASSOCIATES**

CHARTERED ACCOUNTANTS

FRN: 010457N

**-Sd-**

**(CA. Vijay Jindal)**

M. No. 089159

Place: Chandigarh

Date: 30.05.2024

UDIN Ref. No. 24089159BKDSZC7215

**-Sd-**

(Ashok Mehta)

Director

(DIN 00058188)

**-Sd-**

(Neetu Mehta)

Director

(DIN 00319456)

**-Sd-**

(Azeez Mehta)

WTD cum CFO

(DIN 10353827)

**-Sd-**

(Parul Gupta)

Company Secretary

(PAN - ASAPG4530D)

**M/s EMMFORCE AUTOTECH LIMITED**  
**Notes on Standalone Financial Statements for the Year ended 31.03.2024**

**Note 2.1 - Share Capital**

PARTICULARS	AS ON 31.03.2024	AS ON 31.03.2023
	Fig. in 000'	Fig. in 000'
<b>AUTHORISED CAPITAL</b> 2,10,00,000 Equity Shares of Rs. 10/- each.	210000	-
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> 1,50,00,000 Equity Shares of Rs. 10/- each Fully Paid Up	150000	-
<b>Total</b>	150000	-

**Note No. 2.1 (a) The Reconciliation of the No. of Shares outstanding at the beginning and at the end of the period** Fig in 000'

Particulars	AS ON 31.03.2024		AS ON 31.03.2023	
	Number	INR	Number	INR
Equity Shares:				
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	15000	150000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	15000	150000	-	-

**Note No. 2.1(b) Right, Preferences and Restriction attached to Shares**  
**Equity Shares**

The company has only one class of Equity having a par value Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend is proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of the interim dividend. 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 portion to their shareholding.

**Note No. 2.1 (c) Shares held by each shareholder holding more than 5% of shares**

Name of the Shareholder	AS ON 31.03.2024	AS ON 31.03.2023
Mr. Ashok Mehta - No. of Shares held	75,00,000	-
- % of Holding	50.00%	-
Mrs. Neetu Mehta - No. of Shares held	74,99,500	-
- % of Holding	49.9967%	-

**Note No. 2.1 (d) Shareholding of Promoters & % of change during the Year**

Particulars	AS ON 31.03.2024		AS ON 31.03.2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ashok Mehta	75,00,000	50.00000%	-	-
Mrs. Neetu Mehta	74,99,500	49.99667%	-	-
Azeez Mehta	100	0.00067%	-	-
Navya Mehta	100	0.00067%	-	-
Narinder Krishan Miglani	100	0.00067%	-	-
Gaurav Miglani	100	0.00067%	-	-
Saurav Miglani	100	0.00067%	-	-

The company was incorporated on 13.10.2023, hence being First year, there are no figures for previous year

**Note No. 2.2 - Reserve & Surplus**

**Fig in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
	Balance brought forward from previous year	-
Add (Less) : Tax Adjustment prev year	-	-
Add (Less): Profit (Loss) for the period	42661	-
<b>Closing Balance</b>	42661	-

**Note No. 2.3 - Long Term Borrowings**
**Fig in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Secured</b>		
<b>From Banks</b>		
HSBC Bank-TL 125017566492	14667	
HSBC Bank-TL 125017566493	10000	
HSBC Bank-TL 125017566494	16617	
(Secured by Hyp of Plant & Machinery & Other Fixed Assets)		
Axis Bank - Vehicle Loan (CRV)	-	
(Secured by Hyp of Vehicle)		
HDFC Bank - Vehicle Loan (BMW)	8712	
(Secured by Hyp of Vehicle)		
Total (a)	<b>49996</b>	-
<b>Unsecured</b>		
<b>Unsecured Loans - Others</b>		-
<b>Loans from Directors &amp; Promoters / Related Parties</b>		
Ashok Mehta	33653	
Neetu Mehta	50326	
Azeez Mehta	927	
Ashok Mehta HUF	2664	
Navya Mehta		
Narinder Krishan Miglani		
Gaurav Miglani		
Saurav Miglani		
Total (b)	<b>87570</b>	-
Total (a+b)	<b>137566</b>	-

**Note No. 2.4 - Deferred Tax Liabilities**
**Fig in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
Balance brought forward from previous year	-	-
Difference in accounting & Tax Depreciation	508	-
<b>Total</b>	<b>508</b>	-

**Note No. 2.5 - Other long Term Liabilities**
**Fig in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
SECURED	-	-
UNSECURED	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note No. 2.6 - Short Term Borrowings**
**Fig in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
SECURED		
<b>WORKING CAPITAL LOANS</b>		
From Banks		
HSBC Bank -CC-125032250001	61437	
HSBC Bank - RPC-125017566002	61535	
HSBC Bank - RPC-125-032250003	3111	
(Secured against Hyp of Current Assets)		
	<b>126083</b>	
<b>Current Maturity of Long Term Debt</b>		
HSBC Bank-TL 125017566492	8000	
HSBC Bank-TL 125017566493	5000	
HSBC Bank-TL 125017566494	5113	
Axis Bank - Vehicle Loan (CRV)	77	
HDFC Bank - Vehicle Loan (BMW)	1111	
	<b>19301</b>	
<b>Total</b>	<b>145384</b>	-

**Note No. 2.7 - Trades Payable**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Sundry Creditors</b>		-
- Micro Enterprises & Small Enterprises	26205	
- Other than Micro Enterprises & Small Enterprises	120675	
<b>Total</b>	146880	-

**Note No. 2.7(b) Ageing Schedule of Trade Payable is as below  
31.03.2024**

Fig in 000'

	Total Outstanding dues - Micro Enterprises & Small Enterprises	Total Outstanding dues to other than Micro Enterprises & Small Enterprises
Less than 1 year	26205	120675
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	26205	120675

**Note No. 2.7(b) Ageing Schedule of Trade Payable is as below  
31.03.2023**

Fig in 000'

	Total Outstanding dues - Micro Enterprises & Small Enterprises	Total Outstanding dues to other than Micro Enterprises & Small Enterprises
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	-	-

**Note No. 2.8 - Other Current Liabilities**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Advance From Customers</b>	11965	-
<b>Expenses Payable</b>		
Salaries & Wages Payables	5756	-
Audit Fees Payable	270	
PF Payable	446	
ESI Payable	54	
Agency Commission Payable	144	
TDS / TCS Payable	2168	
Electricity Charges Payable	517	
Bonus Payable	347	
Rent Payable	180	
EMI Car Loan BMW Payable	158	
<b>Total</b>	22005	-

**Note No. 2.9 - Short Term Provisions**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Others Provisions</b>		
Provision for Taxation	14604	-
<b>Total</b>	14604	-



**M/s EMMFORCE AUTOTECH LIMITED**

Notes on Standalone Financial Statements for the Period ended 31.03.2024

**Note No. 2.11 - Non-current investments**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2022
Investment property	-	-
<b>Investment In Equity Instruments</b> (Unquoted, Trade and Valued at cost ) In Subsidiary/JV/Associates/Controlled Companies <b>Emmbros Mobility Solutions Pvt Ltd - Subsidiary Company</b> ( 32,00,000 ( P.Y. Nil) Equity Shares of Rs. 10/- each)	32000	-
Investments in partnership firms	-	-
Other non-current investments (specify nature)	-	-
<b>Total</b>	<b>32000</b>	<b>-</b>
Aggregate amount of quoted investments and market value	-	-
Aggregate amount of Unquoted Investment	32000	-
Details of partnership firm including capital, Ratio, Profit	-	-

**Note No. 2.12 - Long Term Loans and Advances**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Security Deposit</b>		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	-	-
<b>c) Doubtful</b>	-	-
	-	-

**Note 2.12 (a) Loan & Advances in nature of loan outstanding from Promoters, Directors, KMP & related parties**

Fig in 000'

PARTICULARS	AS ON 31.03.2024	AS ON 31.03.2023
Promoters - Amount	-	-
- %	-	-
Directors - Amount	-	-
- %	-	-
KMPs - Amount	-	-
- %	-	-
Promoters - Amount	-	-
- %	-	-
	-	-

**Note No. 2.13 - Other Non Current Assets**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Security Deposit</b>	834	-
<b>Other</b>		
Capital Issue Expenses Pending Adjustment	1478	-
<b>Total</b>	<b>2312</b>	<b>-</b>

**Note No. 2.14 - Inventories**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
Valued & Certified by management		
Raw Material	23681	-
Work-in-Progress	49994	-
Finished Goods	20086	-
Consumable Stores	525	-
(Valued at cost or Net realisable value, whichever is lower)		
<b>Total</b>	<b>94287</b>	<b>-</b>

**Note No. 2.15 - Trade Recievables**

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
Outstanding for more than six months	-	-
Others	206456	-
<b>Total</b>	<b>206456</b>	<b>-</b>

**M/s EMMFORCE AUTOTECH LIMITED**

Notes on Standalone Financial Statements for the Period ended 31.03.2024

Note No. 2.15 (a) Trade Receivables ageing schedule

Trade Receivables ageing schedule as at 31st March, 2024

Fig in 000'

	(i) Undisputed Trade receivables - considered good	(i) Undisputed Trade receivables - considered doubtful	(iii) Disputed trade receivables considered good	(iv) Disputed trade receivables considered doubtful
<b>Outstanding for following periods from due date of payment</b>				
Less than 6 months	206456	-	-	-
6 months -1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>206456</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note No. 2.15 (a) Trade Receivables ageing schedule

Trade Receivables ageing schedule as at 31st March, 2023

Fig in 000'

	(i) Undisputed Trade receivables - considered good	(i) Undisputed Trade receivables - considered doubtful	(iii) Disputed trade receivables considered good	(iv) Disputed trade receivables considered doubtful
<b>Outstanding for following periods from due date of payment</b>				
Less than 6 months	-	-	-	-
6 months -1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note No. 2.16 - Cash & Cash Equivalent

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Cash Balance</b>	43	-
<b>Bank Balance</b>		
Axis Bank CA-912020058963265	14	-
HSBC Bank - CA - 125-032250-511	324	-
HSBC Bank - CA-125-017566-001	89	-
FDR With Scheduled Banks	1392	-
Interest Accrued But Not Due	88	-
<b>Total</b>	<b>1950</b>	<b>-</b>

Note No. 2.17 - Short Term Loans & Advances

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Advances Recoverable in Cash or Kind</b>		
<b>Loans and advances to Related parties</b> (Unsecured, considered good)	-	-
Emmforce Mobility Solutions Pvt Ltd	12150	-
Other Loans & Advances (Unsecured, considered good)	-	-
- Loans and advances to parties other than related parties	-	-
- TDS / TCS Recoverable	310	-
- Advance Income tax	14200	-
- GST Recoverable	80322	-
- Duty Drawback / RODTP Incentives Recoverable	8461	-
- Prepaid Insurance	395	-
<b>Total</b>	<b>115839</b>	<b>-</b>

Note No. 2.18 - Other Current Assets

Fig in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Advances to Suppliers</b>	11912	-
Others	-	-
	11912	-
<b>Staff Advances &amp; Imprest</b>	385	-
<b>Other Advances</b> (Advance Recoverable in cash or in kind or Value to be received)	-	-
	385	-
<b>Total</b>	<b>12297</b>	<b>-</b>

**M/s EMMFORCE AUTOTECH LIMITED**

Notes on Standalone Financial Statements for the Year ended 31.03.2024

Fig in 000'

	Current Year (14.10.23 to 31.03.2024)	Previous Year
<b>Note No. 2.19 - Revenue from Operations</b>		
Sales - Goods (Domestic)	6061	-
Sales - Goods (Exports)	391821	
Sales - Jobwork	2389	
	<b>400272</b>	-
<b>Note No. 2.20 - Other Income</b>		
Interest Recd.	39	-
RODTP & Meis Sale	1316	
Foreign Exchange Fluctuation	3382	
Rent Received	800	
Profit on Sale of Car	18	
Duty Draw Back	6564	
<b>Total</b>	<b>12119</b>	-
<b>Note No. 2.21 - Cost of material consumed</b>		
<b>Raw Material/ Consumables</b>		
Transfer from Emmforce INC	14597	-
Add: Purchases / Consumables/ Job Work	258023	-
Add: Freight Inward	765	-
Less: Closing Stock	23681	-
<b>Total</b>	<b>249703</b>	-
<b>Note No. 2.22 - Change in Inventories of Finished Goods</b>		
<b>Work-in-Progress</b>		
Transfer from Emmforce INC		
WIP	68057	-
Finished Goods	11629	-
Consumable Stores	875	
<b>Total</b>	<b>80561</b>	
Closing Stock		
WIP	49994	-
Finished Goods	20086	-
Consumable Stores	525	
<b>Total</b>	<b>70605</b>	
<b>Total</b>	<b>9956</b>	-
<b>Note No. 2.23 - Other Manufacturing Expenses</b>		
Power & Fuel Exp.	2753	
Calibration & Testing Charges	187	
<b>Total</b>	<b>2941</b>	-
<b>Note No. 2.24 - Employment Benefit Expenses</b>		
Director Remuneration	7842	
Salary & Wages Staff	24076	-
Wages Contractual Workers	2953	
Leave Encashment	504	
<b>Total</b>	<b>35375</b>	-
<b>Note No. 2.25 - Financial Cost</b>		
Interest - Cash Credit	1416	-
Interest - Term Loans	2715	
Interest - Unsecured Loans	4025	
Interest - Vehicle Loans	150	
<b>Total</b>	<b>8305</b>	-

	<b>Current Year</b> <b>(14.10.23 to 31.03.2024)</b>	<b>Previous Year</b>
<b>Note No. 2.26 - Depreciation &amp; Amortised Cost</b>		
Depreciation	9702	-
	<b>9702</b>	<b>-</b>
<b>Note No. 2.27 - Other Expenses</b>		
Bank Charges	1449	-
Staff Welfare	1199	
Loading & Unloading Charges	2313	
Repair & Maint. - Computers	797	
Repair & Maint. - General	321	
Printing & Stationery	267	
Recruitment & Training Exps	76	
Insurance	1251	
Freight & Handling Outwards	12688	
P.F Employer Share	898	
E S I Employer Share	192	
Security Expenses	848	
Rebate Discount, Exces & Short Recovery, Rounded Off	414	
Marketing & Advertisement Expenses	62	
Travelling & Conveyance Expenses	3722	
Misc. Expenses	31	
Rent	1039	
Software & Development Charges	65	
Repair & Maint. - Building	419	
Repair & Maint. - Electrical Equip.	7	
Running & Maintenance - Vehicle	179	
Repair & Maint. - Plant & Machinery	936	
Uniform Expenses	2	
Festival Expenses	86	
Rate, Fee & Taxes	1492	
Postage & Courier	26	
Telephone Expenses	243	
Professional & Legal Charges	2897	
Audit Fees	300	
Membership & Subcription	34	
Business Promotions	857	
Agency Commission -Exports	3311	
Office & Factory Upkeeping Expenses	215	
<b>Total</b>	<b>38637</b>	<b>-</b>



# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## Notes Forming Part of the Standalone Financial Statements as at 31.03.2024

### **Note No. 1 : Corporate Information**

EMMFORCE AUTOTECH LIMITED ("the company") is a limited company domiciled in India, incorporated under the provisions of Companies Act, 2013. The company is engaged in the business of manufacturing & Sale of different types of Automotive Parts. The company was incorporated on 13.10.2023 pursuant to conversion of erstwhile partnership firm Emmforce Inc into Ltd company,

### **Note No. 2 : Significant Accounting Policies**

#### a. **Basis of Accounting**

The financial statement of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 the Companies Act, 2013, read with Rule 7 of the Companies Accounting Rules, 2014 and the relevant provisions of the Companies Act ("the 2013Act"), 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### b. **Inventories**

Cost includes cost of purchase and other costs included in bringing the inventories to their present location and condition. The method of valuation of various categories of inventory are as follows :-

1. Raw Materials : At lower of cost or net realisable value (FIFO Method)
2. Work in Progress & Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads.
3. Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads based on normal operating capacity.
4. Stores, Spares & Packing Materials : At Cost ( FIFO Method )

#### c. **Property, Plant And Equipment**

Property, Plant And Equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

Tangible Assets are recorded at cost less accumulated depreciation and impairment losses, if any. The company capitalizes all costs relating to acquisition and installation of Fixed Assets. Borrowing costs are capitalized as part of qualifying fixed assets.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation on PPE is provided on Written Down Value Method at the rates and in the manner prescribed in the "Schedule II" of the Companies Act, 2013.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## Notes Forming Part of the Standalone Financial Statements as at 31.03.2024

### d. **Intangible Assets**

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization and impairment loss if any. Intangible assets are amortized on a straight line basis over the estimated economic life. Costs relating to software, which are acquired, are capitalized and amortized on a straight line basis over their useful lives not exceeding Five years.

### e. **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

#### **Sale of Goods & Services**

Revenue from, sale of goods including cartage & Services is recognised in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

#### **Interest income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### **Other Income**

Other income is recognized on accrual basis.

### f. **Expenditure**

Expenditure is accounted on accrual basis and provision is made for all known losses and liabilities.

### g. **Employees Retirement Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Leave encashment benefits are accounted for on actual payment.

### h. **Foreign Exchange Transactions**

#### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **(ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

#### **(iii) Exchange difference**

Exchange differences arising on the settlement of monetary items or on reporting Company monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## Notes Forming Part of the Standalone Financial Statements as at 31.03.2024

### i. Investments

Investments that are readily realizable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition. Provision, if any, is made to recognise a decline other than a temporary, in the value of long term investments.

### j. Taxation

1. Current Tax is determined on the profit of the year in accordance with the provisions of the Income Tax Act, 1961.
2. Deferred Tax is calculated at the rates and laws that have been enacted or substantively enacted as at the Balance Sheet date and is recognized on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that they can be realized.
3. MAT credit is recognized as an asset when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal tax during the specified period.

### k. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### l. Segment Reporting

The company has considered business segment as the primary segment for disclosure. The company is primarily engaged in the manufacture & Sale of Automotives parts, which in the context of Accounting Standard 17 on Segment Reporting are considered the only one reportable segment.

### m. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.



# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## Notes Forming Part of the Standalone Financial Statements as at 31.03.2024

n. **Earning Per Share**

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.

o. **Cash Flow Statements**

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the Company are segregated.

p. **Operating Cycle**

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

q. **Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires managements to make judgments, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**Note No. 2.28 Related Party Disclosure****(A) Related Parties and their relationship :****I. Key Management Personnel [Para 3(d) of AS-18]:**

1 Mr. Ashok Mehta	Managing Director
2 Mrs. Neetu Mehta	Director
3 Mr. Azeez Mehta	Director

**II. Enterprises/Personnel under Significant Influence of Key Management Personnel and their Relatives [Para 3(e) of AS-18]:**

- 1 M/s Emmbros Automotives Pvt Ltd
- 2 M/s Prospeedways LLC USA
- 3 Ashok Mehta HUF
- 4 Navya Mehta
- 5 Narinder Krishan Miglani
- 6 Gaurav Miglani
- 7 Saurav Miglani

**(B) Related Parties Transactions:**

Fig in 000'

Nature of Transaction	Nature of Transaction	Amount of transaction in Rs.		Outstanding Balance at the end of the Current year	Outstanding Balance at the end of the Previous year
		During Current Year			
		Receipt	Payment		
<b>1. Transaction during the year</b>					
<b>Key Management Personnel</b>					
Mr. Ashok Mehta	Remuneration	-	5000	-	-
	Unsecured Loan	44238	10585	33653	-
	Interest on U.Loan	-	1597	-	-
Mrs. Neetu Mehta	Unsecured Loan	60978	10652	50326	-
	Rent	-	1000	-	-
	Interest on U.Loan	-	2269	-	-
Mr. Azeez Mehta	Remuneration	-	2842	-	-
	Unsecured Loan	1282	355	927	-
	Interest on U.Loan	-	51	-	-
<b>Relatives Key Management Personnel</b>					
Ashok Mehta HUF	Unsecured Loan	2675	11	2664	-
Ashok Mehta HUF	Interest on U.Loan	-	107	-	-
Navya Mehta	Unsecured Loan	-	-	-	-
Narinder Kumar Miglani	Unsecured Loan	-	-	-	-
Gaurav Miglani	Unsecured Loan	-	-	-	-
Saurav Miglani	Unsecured Loan	-	-	-	-
<b>Enterprises in which Key Management Personnel is interested:</b>					
Emmbros Automotives Pvt Limited	Sale of Goods	2732	-	-	-
	Purchases	-	87865	-	-
M/s Prospeedways LLC USA	Sale of Goods	37566	-	-	-
<b>Entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the reporting entity;</b>					
Emmforce Mobility Solutions Pvt Ltd (Subsidiary Company)	Investment - Share Capital	Nil	32000	32000	-
	Loan & Advance Given	Nil	12150	12150	-

**Note No. 2.29 - Contingent Liabilities**

Claims against the company not acknowledged as debts:

Current Year - Nil

Previous Year - Nil

**Note No. 2.30** Estimated amount of contracts remaining to be executed on capital account and not provided for:

Current Year - Nil

Previous Year - Nil

**Note No. 2.31** : In the opinion of the Board of Directors, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**Note No. 2.32:** Balances with Trade Receivables / Trade Payables and Loans & advances, Unsecured Loans have been taken at their book value subject to confirmation and reconciliation. Loans and Advances are considered good in respect of which company does not hold any security

**Note No. 2.33** - Disclosures under Accounting Standards

Fig in 000'

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
<b>2.32(a) Earnings per share (Basic and diluted)</b>		
Net profit / (loss) for the year (Continuing operations & Total operations)	42661	-
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	42661	-
Weighted average number of equity shares	15000	-
Par value per share	10	-
Earnings per share - Basic	2.84	-
<b>2.32(b) Deferred Tax Liabilities have been created during current year as per provisions prescribed under AS-22 issued by ICAI. The details are as under</b>		
<b>Deferred tax (liability) / asset</b>		
Opg Balance	-	-
Tax effect of items constituting deferred tax assets		
On difference between book balance and tax balance of fixed assets	5,08,216	-
<b>Net deferred tax liability / (asset)</b>	<b>5,08,216</b>	<b>-</b>

**Note No. 2.34** : There is no employee who is in receipt of remuneration exceeding the limit prescribed in accordance with the provisions of Companies Act 2013.

**Note No. 2.35** : Managerial Remuneration paid to Directors is as follows

Fig in 000'

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
- Remuneration	7842	-
-Perquisites Value	500	-

**Note No. 2.36** - Details of payment to Auditors is as under

Fig in 000'

Auditors Remuneration	AS AT 31.03.2024	AS AT 31.03.2023
Statutory Audit Fees & Tax Audit (Net of GST)	300	Nil
Other Services (Net of GST)	Nil	Nil

**Note No. 2.37** - On the basis of information available with the company regarding the status of suppliers, the Sundry Creditors include the following Micro Small & Medium Enterprises, as defined under The Micro Small & Medium Enterprises Development Act, 2008.

Fig in 000'

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
Principal amount and interest due thereon remaining unpaid to any supplier as at end of accounting year	26205	-
The amount of interest paid by company along with the amounts of payment made to supplier beyond appointed day for financial year ending <b>31 March 2024</b>	-	-
The amount of interest due & payable for the period of delay in making payment (beyond the appointed day during the year)	-	-
The amount of interest due accrued and remaining unpaid for the year ending <b>31 March 2024</b>	-	-
The amount of further interest remaining due and payable for earlier years.	-	-

**Note No. 2.38** - In the opinion of management, the value on realisation of current assets, Loans & Advances in the ordinary course of business will not less than the value at which these are stated in balance sheet.

**Note No. 2.39**

Value of Imports	AS AT 31.03.2024	AS AT 31.03.2023
Finished Goods	Nil	Nil

**Note No. 2.40** - Transactions in Foreign Currency are as below:

Fig in 000'

Foreign Currency Transactions (in Equivalent INR)	AS AT 31.03.2024	AS AT 31.03.2023
Foreign Currency Earnings	391821	-
Foreign Currency Expenditure	3311	-

**Note No. 2.41** - The company is a Holding company of M/s Emmforce Mobility Solutions Pvt Ltd.

**Note No. 2.42** - Additional Regulatory Disclosures

- a) All the Title deeds of Immovable Property are in the name of the Company.
- b) During the year company has not revalued its Property, Plant and Equipment
- c) During the year, the company has not granted any loans or advances in the nature of loans to Promoters, Directors, KMPs and the related parties (as defined under companies act)
- d) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
  - (a) Crypto Currency or Virtual Currency
  - (b) Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
  - (c) Registration of charges or satisfaction with Registrar of Companies
  - (d) Relating to borrowed funds:
    - i. Wilful defaulter
    - ii. Utilisation of borrowed funds & share premium
    - iii. Borrowings obtained on the basis of security of current assets
    - iv. Discrepancy in utilisation of borrowings
  - v. Current maturity of long term borrowings
- e) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.
- f) The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

Details of Ratios		Year ended 31.03.2024	Year ended 31.03.2023	% Variance	Reason for Variance (Mandtorily if exceeds 25%)
<b>(1) Current Ratio (Times)</b>	Ratio	1.31	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Current Assets	Numerator	430829	-		
Current Liabilities	Denominator	328873	-		
<b>(2) Net Debt Equity Ratio (Times)</b>	Ratio	1.47	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Debt capital (Long term borrowings+Short term borrowings)	Numerator	282950	-		
Shareholder's Equity (Total Equity)	Denominator	192661	-		
<b>(3) Debt service coverage ratio (Times)</b>	Ratio	7.30	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Profit after tax+Finance costs+ Depreciation and amortization expenses+Loss/(Gain) on sale of Property Plant & Equipment+Exceptional items	Numerator	60668	-		
Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	Denominator	8305	-		
<b>(4) Return on Equity (%)</b>	Ratio	22.14	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Profit after tax (PAT)	Numerator	42661	-		
Shareholder's Equity	Denominator	192661	-		
<b>(5) Inventory turnover ratio (in days)"</b>	Ratio	40.04	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Revenue from operations	Numerator	400272	-		
Average Inventory (Opg Inventory+Clg Inventory)	Denominator	94287	-		
<b>(6) Debtors turnover ratio (in days)</b>	Ratio	87.68	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Revenue from operations	Numerator	400272	-		
Average trade receivables (Opg + Clg Trade Receivables)	Denominator	206456	-		
<b>(7) Trade payables turnover ratio (in days)</b>	Ratio	96.77	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Total Purchases	Numerator	258023	-		
Average Trade Payables (Opg + Clg Trade Payables)	Denominator	146880	-		
<b>(8) Net capital turnover ratio (in days)</b>	Ratio	61.75	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Revenue from operations	Numerator	400272	-		
Working Capital+current maturities of long term borrowings	Denominator	145384	-		
<b>(9) Net profit ratio (%)*</b>	Ratio	10.34	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Profit for the year	Numerator	42661	-		
Total Revenue	Denominator	412391	-		
<b>(10) Return on Capital Employed (%)"</b>	Ratio	19.98	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Earning before interest and taxes	Numerator	66078	-		
Tangible Net Worth + Total Debt + Deferred Tax Liabilities	Denominator	330735	-		
<b>(11) Return on investment (%)</b>	Ratio	-	-	-	The investment in subsidiary did not generate any income as subsidiary started operations in the end of March 2024
Income generated from invested funds	Numerator	-	-		
Time weighted average invested funds in investments	Denominator	32000	-		

**Note No. 2.44** The company was incorporated on 13.10.2023 on conversion of M/s Emmforce INC (Partnership Concern) to M/s Emmforce Autotech Ltd. The Current year being the first year of Company, hence there are no previous year figures.

As per our report of even date attached  
for **Vijay Jindal & Associates**  
Chartered Accountants

For Emmforce AutoTech Limited

-Sd-

(CA Vijay Jindal, Prop.)

M. No. 089159

FRN: 010457N

**UDIN Ref. No. 24089159BKDSZC7215**

Place: Chandigarh

Date: 30.05.2024

-Sd-

(Ashok Mehta)

Director

(DIN 00058188)

-Sd-

(Neetu Mehta)

Director

(DIN 00319456)

-Sd-

(Azeez Mehta)

WTD cum CFO

(DIN 10353827)

-Sd-

(Parul Gupta)

Company Secretary

(PAN - ASAPG4530D)



# Vijay Jindal & Associates

Chartered Accountants

#1299, 2<sup>nd</sup> Floor, Sector 15-B, Opp. Post Office, Chandigarh-160015 U.T.

Tel: 0172-2541299, 2771299, Email: VijayJindal26@Gmail.com

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## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Emmforce Autotech Limited**

**CIN - U29301HR2023PLC115705**

**Panchkula**

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **Emmforce Autotech Limited** ("the Company"), which comprise the Consolidated Balance sheet as at **March 31, 2024**, the Consolidated statement of Profit and Loss and the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information ("the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("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 **31<sup>st</sup> March 2024**, and its Profit and its Cash Flows for the year ended on that date.

#### Basis for Opinion

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 in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated 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 obtained us is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### Information Other than the Consolidated Financial Statements and Auditors' Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's report and Business Responsibility Report, but does not include the 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 during the course of our audit or otherwise appears to be materially misstated, If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibilities for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, 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 Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting in preparation of the Consolidated Financial Statements 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 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 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.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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**

1. As required by the Companies (Auditor's Report) Order 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we report that the said order does not apply to consolidated financial statements except clause (xxi) of Clause 3 in regard to any qualifications or adverse remarks by respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated financial statements. With regard to the same, we report that there is no adverse remark in the said financial statements.
2. (A) 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.
  - c) The Balance Sheet, the Statement of Profit and Loss 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 Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on **31<sup>st</sup> March 2024** taken on record by the Board of Directors, none of the directors is disqualified as on **31<sup>st</sup> March 2024** from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'
  - g) With respect to the other matters to be included in the Auditors' Report in accordance with the
  - h) Requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with provision of section 197 of the Act.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us.
  - a) The Company does not have any pending litigations which would impact its financial position.
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
- d)
- The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 (“Ultimate Beneficiaries”) by or on behalf of the Company or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- ii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.
- e) The Company has not declared or paid any dividend during the year. Hence, the Company is not required to comply with the provision of the Section 123 of the Act.
- f) The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Dated: 30.05.2024  
Place: Chandigarh  
UDIN Ref No. 24089159BKDSZD2598

For Vijay Jindal & Associates  
Chartered Accountants  
Firm Regn. No. 010457N

-Sd-

(Vijay Jindal, FCA, Prop.)  
M.No. 89159

## **“Annexure A” to the Independent Auditor’s Report of even date on the Financial Statements of**

### **Emmforce Autotech Limited**

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

**Referred to in paragraph under “Report on Other Legal and Regulatory Requirements” section of our report of even date.**

#### **Opinion**

We have audited the internal financial controls over financial reporting of **Emmforce Autotech Limited** (“the Company”) as of **March 31, 2024** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at **31 March 2024**, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note")

#### **Management’s Responsibility for Internal Financial Controls**

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 internal control stated in the Guidance Note of on Audit of Financial Controls over Financial Reporting 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 fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act 2013. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company’s internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

Dated: 30.05.2024

Place: Chandigarh

For Vijay Jindal & Associates  
Chartered Accountants  
Firm Regn. No. 010457N

**-Sd-**

(Vijay Jindal, FCA, Prop.)  
M.No. 89159

<b>M/s EMMFORCE AUTOTECH LIMITED</b> (CIN - U29301HR2023PLC115705)			
<b>AUDITED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31st March 2024</b>			
Particulars	Note No.	Current Year (14.10.23 to 31.03.2024)	Previous Year
		Fig. in 000'	Fig. in 000'
<b>I. EQUITY AND LIABILITIES</b>			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	2.1	150000	-
(b) Reserves and Surplus	2.2	42661	-
(c) Money received against Share Warrants			
Total Equity Attributable to Owners of Company		192661	-
(d) Non Controlling Interest		7645	
		200305	
<u>(2) Share Application money pending allotment (Including Share premium)</u>			
		-	-
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	2.3	261714	-
(b) Deferred Tax Liabilities (Net)	2.4	1477	-
(c) Other Long Term Liabilities	2.5	-	-
(d) Long Term Provisions			
		263191	-
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings	2.6	161569	-
(b) Trade Payables	2.7		-
- Micro Enterprises & Small Enterprises		26597	
- Other than Micro Enterprises & Small Enterprises		121088	
(c) Other Current Liabilities	2.8	31845	-
(d) Short-Term Provisions	2.9	14604	-
		355703	-
Total Equity & Liabilities		819199	-
<b>II.ASSETS</b>			
<u>(1) Non-Current Assets</u>			
a) Property, Plant & Equipments & Intangible Assets			
i) Property, Plant & Equipments	2.10	274142	-
ii) Intangible Assets		-	-
iii) Capital Work in Progress		28394	-
iv) Intangible Assets under development			
(v) Goodwill on Consolidation		1422	
(b) Non-current investments	2.11	-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	2.12	-	-
(e) Other non-current assets	2.13	3392	-
		307350	-
<u>(2) Current Assets</u>			
(a) Current investments			
(b) Inventories	2.14	94436	-
(c) Trade receivables	2.15	206974	-
(d) Cash and cash equivalents	2.16	3610	-
(e) Short-term Loans and Advances	2.17	134225	-
(f) Other current assets	2.18	72604	-
		511849	-
Total Assets		819199	-
Significant Accounting Policies & Notes on Financial Statements		-	-
- Notes 1, 2 - 2.44		For Emmforce AutoTech Limited	
AS PER REPORT OF EVEN DATE ATTACHED FOR VIJAY JINDAL & ASSOCIATES CHARTERED ACCOUNTANTS FRN: 010457N			
<b>-Sd-</b>	<b>-Sd-</b>	<b>-Sd-</b>	<b>-Sd-</b>
(Ashok Mehta)	(Ashok Mehta)	(Neetu Mehta)	(Neetu Mehta)
Director	Director	Director	Director
(DIN 00058188)	(DIN 00058188)	(DIN 00319456)	(DIN 00319456)
(CA. Vijay Jindal)			
M. No. 089159			
FRN: 010457N			
Place: Chandigarh			
Date: 30.05.2024			
UDIN Ref. No.24089159BKDSZD2598			
<b>-Sd-</b>	<b>-Sd-</b>	<b>-Sd-</b>	<b>-Sd-</b>
(Azeez Mehta)	(Azeez Mehta)	(Parul Gupta)	(Parul Gupta)
WTD cum CFO	WTD cum CFO	Company Secretary	Company Secretary
(DIN 10353827)	(DIN 10353827)	(PAN - ASAPG4530D)	(PAN - ASAPG4530D)

**M/s EMMFORCE AUTOTECH LIMITED**  
(CIN - U29301HR2023PLC115705)

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE PERIOD FROM 14.10.2023 TO 31.03.2024**

Particulars	Note No.	Current Year (14.10.23 to 31.03.2024) Fig. in 000'	FOR YEAR ENDING ON 31.03.2023 Fig. in 000'
<b>INCOME</b>			
Revenue from operations	2.19	400710	-
Other Income	2.20	12119	-
Total Revenue		412830	-
<b>EXPENDITURE</b>			
Cost of materials consumed	2.21	250053	-
Changes in inventories of finished goods and work-in-progress	2.22	9956	-
Other Manufacturing Expenses	2.23	3089	-
Employee Benefit Expense	2.24	35515	-
Financial Costs	2.25	8500	-
Depreciation and Amortization Expense	2.26	10060	-
Other Expenses	2.27	38693	-
Total Expenses		355866	-
Profit( Loss) before tax		56964	-
<b>Tax expense:</b>			
(1) Current tax		14604	-
(2) Deferred tax		1477	-
Profit(Loss) for the year		40883	-
Earning per equity share of face value of Rs. 10 each Basic and diluted (Absolute Fig.)		2.73	-
Significant Accounting Policies & Notes on Financial Statements Notes 1, 2 - 2.44			
AS PER REPORT OF EVEN DATE ATTACHED FOR VIJAY JINDAL & ASSOCIATES CHARTERED ACCOUNTANTS FRN: 010457N		For Emmforce AutoTech Limited	
<b>-Sd-</b>		<b>-Sd-</b>	
(Ashok Mehta)		(Neetu Mehta)	
Director		Director	
(DIN 00058188)		(DIN 00319456)	
<b>-Sd-</b>		<b>-Sd-</b>	
(CA. Vijay Jindal)		(Parul Gupta)	
M. No. 089159		Company Secretary	
Place: Chandigarh		WTD cum CFO	
Date: 30.05.2024		(DIN 10353827)	
UDIN Ref. No.24089159BKDSZD2598		(PAN - ASAPG4530D)	

**M/s EMMFORCE AUTOTECH LIMITED**  
(CIN - U29301HR2023PLC115705)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 14.10.2023 TO 31.03.2024**

Particulars	Current Year (14.10.23 to 31.03.2024)	31.03.2023
	Fig. in 000'	Fig. in 000'
<b>Cash flows from operating activities</b>		
<i>Profit before taxation</i>	56964	-
<b>Adjustments for:</b>		
Depreciation & Amortization	10060	-
Investment income - Interest Received	-39	-
Interest expense	8500	-
(Profit) / Loss on the sale of property, plant & equipment	-18	-
<b>Working capital changes:</b>		
(Increase) / Decrease in trade and other receivables	-413803	-
(Increase) / Decrease in inventories	-94436	-
Increase / (Decrease) in trade & other payables	179530	-
<b>Cash generated from operations</b>	<b>-253243</b>	<b>-</b>
Interest paid	-8500	-
Income taxes paid	-	-
Dividends paid	-	-
<b>Net cash from operating activities</b>	<b>-261743</b>	<b>-</b>
<b>Cash flows from investing activities</b>		
Business acquisitions, net of cash acquired	-	-
Purchase of property, plant and equipment (Fixed Assets)	-313427	-
Goodwill on Consolidation	-	-
Proceeds from sale of equipment	850	-
Investment in Subsidiary	-	-
Acquisition of portfolio investments	-	-
Investment income - Interest Received	39	-
Increase in Non Current Assets	-3392	-
<b>Net cash used in investing activities</b>	<b>-315929</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	150000	-
Proceeds Subsidiary Capital minus Investment	8000	-
Proceeds from (Repayment of) long-term borrowings	152094	-
Proceeds from (Repayment of) Unsecured Loan	109620	-
Increase/Decrease in Short Term Borrowings	161569	-
Increase/Decrease in Long Term Loans & Advances	-	-
<b>Net cash used in financing activities</b>	<b>581283</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>3610</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>3610</b>	<b>-</b>

AS PER REPORT OF EVEN DATE ATTACHED  
**FOR VIJAY JINDAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN: 010457N

For Emmforce AutoTech Limited

**-Sd-**

**-Sd-**  
(Ashok Mehta)  
Director  
(DIN 00058188)

**-Sd-**  
(Neetu Mehta)  
Director  
(DIN 00319456)

**(CA. Vijay Jindal)**  
M. No. 089159

Place: Chandigarh  
Date: 30.05.2024  
UDIN Ref. No.24089159BKDSZD2598

**-Sd-**  
(Azeez Mehta)  
WTD cum CFO  
(DIN 10353827)

**-Sd-**  
(Parul Gupta)  
Company Secretary  
(PAN - ASAPG4530D)

**M/s EMMFORCE AUTOTECH LIMITED**  
**Notes on Consolidated Financial Statements for the Year ended 31.03.2024**

**Note 2.1 - Share Capital**

PARTICULARS	AS ON 31.03.2024	AS ON 31.03.2023
	Fig. in 000'	Fig. in 000'
<b>AUTHORISED CAPITAL</b> 210,00,000 Equity Shares of Rs. 10/- each.	210000	-
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> 150,00,000 Equity Shares of Rs. 10/- each Fully Paid Up	150000	-
<b>Total</b>	150000	-

**Note No. 2.1 (a) The Reconciliation of the No. of Shares outstanding at the beginning and at the end of the period** Fig. in 000'

Particulars	AS ON 31.03.2024		AS ON 31.03.2023	
	Number	INR	Number	INR
Equity Shares:				
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	15000	150000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	15000	150000	-	-

**Note No. 2.1(b) Right, Preferences and Restriction attached to Shares**  
**Equity Shares**

The company has only one class of Equity having a par value Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of the interim dividend. 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 portion to their shareholding.

**Note No. 2.1 (c) Shares held by each shareholder holding more than 5% of shares**

Name of the Shareholder	AS ON 31.03.2024	AS ON 31.03.2023
Mr. Ashok Mehta - No. of Shares held	75,00,000	-
- % of Holding	50.00%	-
Mrs. Neetu Mehta - No. of Shares held	74,99,500	-
- % of Holding	49.9967%	-

**Note No. 2.1 (d) Shareholding of Promoters & % of change during the Year**

Particulars	AS ON 31.03.2024		AS ON 31.03.2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Ashok Mehta	75,00,000	50.00000%	-	-
Mrs. Neetu Mehta	74,99,500	49.99667%	-	-
Azeez Mehta	100	0.00067%	-	-
Navya Mehta	100	0.00067%	-	-
Narinder Krishan Miglani	100	0.00067%	-	-
Gaurav Miglani	100	0.00067%	-	-
Saurav Miglani	100	0.00067%	-	-

The company was incorporated on 13.10.2023, hence being First year, there are no figures for previous year

**Note No. 2.2 - Reserve & Surplus**

Fig. in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
	Balance brought forward from previous year	-
Add (Less) : Tax Adjustment prev year	-	-
Add (Less): Profit (Loss) for the period	42661	-
<b>Closing Balance</b>	42661	-

**Note No. 2.3 - Long Term Borrowings**
**Fig. in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Secured</b>		
<b>From Banks</b>		
HSBC Bank-TL 125017566492	14667	
HSBC Bank-TL 125017566493	10000	
HSBC Bank-TL 125017566494	16617	
HSBC Bank-TL Mobility	102098	
(Secured by Hyp of Plant & Machinery & Other Fixed Assets)		
Axis Bank - Vehicle Loan (CRV)	-	
(Secured by Hyp of Vehicle)		
HDFC Bank - Vehicle Loan (BMW)	8712	
(Secured by Hyp of Vehicle)		
Total (a)	<b>152094</b>	-
<b>Unsecured</b>		
<b>Unsecured Loans - Others</b>		-
<b>Loans from Directors &amp; Promoters / Related Parties</b>		
Ashok Mehta	38353	
Neetu Mehta	55526	
Azeez Mehta	927	
Ashok Mehta HUF	2664	
Navya Mehta		
Narinder Krishan Miglani		
Gaurav Miglani		
Saurav Miglani		
Intercompany	12150	
Total (b)	<b>109620</b>	-
Total (a+b)	<b>261714</b>	-

**Note No. 2.4 - Deferred Tax Liabilities**
**Fig. in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
Balance brought forward from previous year	-	-
Difference in accounting & Tax Depreciation	1477	-
<b>Total</b>	<b>1477</b>	-

**Note No. 2.5 - Other long Term Liabilities**
**Fig. in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
SECURED	-	-
UNSECURED	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note No. 2.6 - Short Term Borrowings**
**Fig. in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
SECURED		
<b>WORKING CAPITAL LOANS</b>		
From Banks		
HSBC Bank -CC-125032250001	61437	
HSBC Bank - RPC-125017566002	61535	
HSBC Bank - RPC-125-032250003	3111	
(Secured against Hyp of Current Assets)		
UNSECURED		
HSBC Bank - CA OD	475	
	<b>126559</b>	
<b>Current Maturity of Long Term Debt</b>		
HSBC Bank-TL 125017566492	8000	
HSBC Bank-TL 125017566493	5000	
HSBC Bank-TL 125017566494	5113	
Axis Bank - Vehicle Loan (CRV)	77	
HDFC Bank - Vehicle Loan (BMW)	1111	
HSBC Bank-TL Mobility	15709	
	<b>35010</b>	
<b>Total</b>	<b>161569</b>	-



**Note No. 2.7 - Trades Payable**
**Fig. in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Sundry Creditors</b>		-
- Micro Enterprises & Small Enterprises	26597	
- Other than Micro Enterprises & Small Enterprises	121088	
<b>Total</b>	147685	-

**Note No. 2.7(b) Ageing Schedule of Trade Payable is as below  
31.03.2024**
**Fig. in 000'**

	Total Outstanding dues - Micro Enterprises & Small Enterprises	Total Outstanding dues to other than Micro Enterprises & Small Enterprises
Less than 1 year	26597	121088
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	26597	121088

**Note No. 2.7(b) Ageing Schedule of Trade Payable is as below  
31.03.2023**
**Fig. in 000'**

	Total Outstanding dues - Micro Enterprises & Small Enterprises	Total Outstanding dues to other than Micro Enterprises & Small Enterprises
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	-	-

**Note No. 2.8 - Other Current Liabilities**
**Fig. in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Advance From Customers</b>	11965	-
<b>Creditors for Capital Goods</b>	9249	
<b>Expenses Payable</b>		
Salaries & Wages Payables	5971	-
Audit Fees Payable	345	
PF Payable	458	
ESI Payable	54	
Agency Commission Payable	144	
TDS / TCS Payable	2308	
Electricity Charges Payable	666	
Bonus Payable	347	
Rent Payable	180	
EMI Car Loan BMW Payable	158	
<b>Total</b>	31845	-

**Note No. 2.9 - Short Term Provisions**
**Fig. in 000'**

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Others Provisions</b>		
Provision for Taxation	14604	-
<b>Total</b>	14604	-

**M/s EMMFORCE AUTOTECH LIMITED**

Notes on Consolidated Financial Statements for the Period ended 31.03.2024

**Note No. 2.12 - Long Term Loans and Advances**

Fig. in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Security Deposit</b>		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	-	-
<b>c) Doubtful</b>	-	-
	-	-

**Note 2.12 (a) Loan & Advances in nature of loan outstanding from Promoters, Directors, KMP & related parties**

Fig. in 000'

PARTICULARS	AS ON 31.03.2024	AS ON 31.03.2023
Promoters - Amount	-	-
- %	-	-
Directors - Amount	-	-
- %	-	-
KMPs - Amount	-	-
- %	-	-
Promoters - Amount	-	-
- %	-	-
	-	-

**Note No. 2.13 - Other Non Current Assets**

Fig. in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Security Deposit</b>	1914	-
<b>Other</b>		
Capital Issue Expenses Pending Adjustment	1478	-
<b>Total</b>	<b>3392</b>	<b>-</b>

**Note No. 2.14 - Inventories**

Fig. in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
Valued & Certified by management		
Raw Material	23831	-
Work-in-Progress	49994	-
Finished Goods	20086	-
Consumable Stores	525	-
(Valued at cost or Net realisable value, whichever is lower)		
<b>Total</b>	<b>94436</b>	<b>-</b>

**Note No. 2.15 - Trade Receivables**

Fig. in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
Outstanding for more than six months	-	-
Others	206974	-
<b>Total</b>	<b>206974</b>	<b>-</b>

**Note No. 2.15 (a) Trade Receivables ageing schedule**

Trade Receivables ageing schedule as at 31st March,2024

Fig. in 000'

	(i) Undisputed Trade receivables - considered good	(i) Undisputed Trade receivables - considered doubtful	(iii) Disputed trade receivables considered good	(iv) Disputed trade receivables considered doubtful
<b>Outstanding for following periods from due date of payment</b>				
Less than 6 months	206974	-	-	-
6 months -1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>206974</b>	<b>-</b>	<b>-</b>	<b>-</b>

**M/s EMMFORCE AUTOTECH LIMITED**

Notes on Consolidated Financial Statements for the Period ended 31.03.2024

**Note No. 2.15 (a) Trade Receivables ageing schedule**  
Trade Receivables ageing schedule as at 31st March,2023

Fig. in 000'

	(i) Undisputed Trade receivables - considered good	(i) Undisputed Trade receivables - considered doubtful	(iii) Disputed trade receivables considered good	(iv) Disputed trade receivables considered doubtful
<b>Outstanding for following periods from due date of payment</b>				
Less than 6 months	-	-	-	-
6 months -1 year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	-	-	-	-

**Note No. 2.16 - Cash & Cash Equivalent**

Fig. in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Cash Balance</b>	53	-
<b>Bank Balance</b>		
Axis Bank CA-912020058963265	14	-
HSBC Bank - CA - 125-032250-511	324	-
HSBC Bank - CA-125-017566-001	89	-
FDR With Scheduled Banks	3042	-
Interest Accrued But Not Due	88	-
<b>Total</b>	<b>3610</b>	-

**Note No. 2.17 - Short Term Loans & Advances**

Fig. in 000'

<b>Advances Recoverable in Cash or Kind</b>	AS ON 31.03.2024	AS ON 31.03.2023
<b>Loans and advances to Related parties</b>	-	-
Intercompany (Unsecured, considered good)	12150	-
Other Loans & Advances (Unsecured, considered good)	-	-
- Loans and advances to parties other than related parties	-	-
- TDS / TCS Recoverable	310	-
- Advance Income tax	14200	-
- GST Recoverable	98708	-
- Duty Drawback / RODTP Incentives Recoverable	8461	-
- Prepaid Insurance	395	-
<b>Total</b>	<b>134225</b>	-

**Note No. 2.18 - Other Current Assets**

Fig. in 000'

	AS ON 31.03.2024	AS ON 31.03.2023
<b>Advances to Suppliers</b>	11912	-
<b>Advances to Suppliers - Capital Goods</b>	60308	-
Others	-	-
	<b>72220</b>	-
<b>Staff Advances &amp; Imprest</b>	385	-
<b>Other Advances</b> (Advance Recoverable in cash or in kind or Value to be received)	-	-
	<b>385</b>	-
<b>Total</b>	<b>72604</b>	-

**M/s EMMFORCE AUTOTECH LIMITED**

Notes on Consolidated Financial Statements for the Year ended 31.03.2024

Fig. in 000'

	Current Year (14.10.23 to 31.03.2024)	Previous Year
<b>Note No. 2.19 - Revenue from Operations</b>		
Sales - Goods (Domestic)	6500	-
Sales - Goods (Exports)	391821	
Sales - Jobwork	2389	
	<b>400710</b>	-
<b>Note No. 2.20 - Other Income</b>		
Interest Recd.	39	-
RODTP & Meis Sale	1316	
Foreign Exchange Fluctuation	3382	
Rent Received	800	
Profit on Sale of Car	18	
Duty Draw Back	6564	
<b>Total</b>	<b>12119</b>	-
<b>Note No. 2.21 - Cost of material consumed</b>		
<b>Raw Material/ Consumables</b>		
Transfer from Emmforce INC	14597	-
Add: Purchases / Consumables/ Job Work	258522	-
Add: Freight Inward	765	-
Less: Closing Stock	23831	-
<b>Total</b>	<b>250053</b>	-
<b>Note No. 2.22 - Change in Inventories of Finished Goods</b>		
<b>Work-in-Progress</b>		
Transfer from Emmforce INC		
WIP	68057	-
Finished Goods	11629	-
Consumable Stores	875	
<b>Total</b>	<b>80561</b>	
Closing Stock		
WIP	49994	-
Finished Goods	20086	-
Consumable Stores	525	
<b>Total</b>	<b>70605</b>	
<b>Total</b>	<b>9956</b>	-
<b>Note No. 2.23 - Other Manufacturing Expenses</b>		
Power & Fuel Exp.	2902	
Calibration & Testing Charges	187	
<b>Total</b>	<b>3089</b>	-
<b>Note No. 2.24 - Employment Benefit Expenses</b>		
Director Remuneration	7842	
Salary & Wages Staff	24216	-
Wages Contractual Workers	2953	
Leave Encashment	504	
<b>Total</b>	<b>35515</b>	-
<b>Note No. 2.25 - Financial Cost</b>		
Interest - Cash Credit	1416	-
Interest - Term Loans	2910	
Interest - Unsecured Loans	4025	
Interest - Vehicle Loans	150	
<b>Total</b>	<b>8500</b>	-

	<b>Current Year</b> <b>(14.10.23 to 31.03.2024)</b>	<b>Previous Year</b>
<b>Note No. 2.26 - Depreciation &amp; Amortised Cost</b>		
Depreciation	10060	-
	<b>10060</b>	<b>-</b>
<b>Note No. 2.27 - Other Expenses</b>		
Bank Charges	1449	-
Staff Welfare	1199	
Loading & Unloading Charges	2313	
Repair & Maint. - Computers	797	
Repair & Maint. - General	321	
Printing & Stationery	267	
Recruitment & Training Exps	76	
Insurance	1251	
Freight & Handling Outwards	12688	
P.F Employer Share	904	
E S I Employer Share	192	
Security Expenses	848	
Rebate Discount, Exces & Short Recovery, Rounded Off	414	
Marketing & Advertisement Expenses	62	
Travelling & Conveyance Expenses	3722	
Misc. Expenses	31	
Rent	1039	
Software & Development Charges	65	
Repair & Maint. - Building	419	
Repair & Maint. - Electrical Equip.	7	
Running & Maintenance - Vehicle	179	
Repair & Maint. - Plant & Machinery	936	
Uniform Expenses	2	
Festival Expenses	86	
Rate, Fee & Taxes	1492	
Postage & Courier	26	
Telephone Expenses	243	
Professional & Legal Charges	2897	
Audit Fees	350	
Membership & Subscription	34	
Business Promotions	857	
Agency Commission -Exports	3311	
Office & Factory Upkeeping Expenses	215	
Short & Excess Recovery		
<b>Total</b>	<b>38693</b>	<b>-</b>



# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## **Notes Forming Part of the Consolidated Financial Statements as at 31.03.2024**

### **Note No. 1 : Corporate Information**

EMMFORCE AUTOTECH LIMITED ("the company") is a limited company domiciled in India, incorporated under the provisions of Companies Act, 2013. The company is engaged in the business of manufacturing & Sale of different types of Automotive Parts. The company was incorporated on 13.10.2023 pursuant to conversion of erstwhile partnership firm Emmforce Inc into Ltd company,

### **Note No. 2 : Significant Accounting Policies**

#### **a. Basis of Accounting**

The financial statement of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 the Companies Act, 2013, read with Rule 7 of the Companies Accounting Rules, 2014 and the relevant provisions of the Companies Act ("the 2013Act"), 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### **b. Inventories**

Cost includes cost of purchase and other costs included in bringing the inventories to their present location and condition. The method of valuation of various categories of inventory are as follows :-

1. Raw Materials : At lower of cost or net realisable value (FIFO Method)
2. Work in Progress & Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads.
3. Finished goods : Cost of Raw Material Consumed plus appropriate share of overheads based on normal operating capacity.
4. Stores, Spares & Packing Materials : At Cost ( FIFO Method )

#### **c. Property, Plant And Equipment**

Property, Plant And Equipment are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

Tangible Assets are recorded at cost less accumulated depreciation and impairment losses, if any. The company capitalizes all costs relating to acquisition and installation of Fixed Assets. Borrowing costs are capitalized as part of qualifying fixed assets.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Depreciation on PPE is provided on Written Down Value Method at the rates and in the manner prescribed in the "Schedule II" of the Companies Act, 2013.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## **Notes Forming Part of the Consolidated Financial Statements as at 31.03.2024**

### d. **Intangible Assets**

Intangible assets are stated at the consideration paid for acquisition less accumulated amortization and impairment loss if any. Intangible assets are amortized on a straight line basis over the estimated economic life. Costs relating to software, which are acquired, are capitalized and amortized on a straight line basis over their useful lives not exceeding Five years.

### e. **Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

#### **Sale of Goods & Services**

Revenue from, sale of goods including cartage & Services is recognised in the statement of profit and loss account when the significant risk and reward of ownership have been transferred to the buyer. The Company collects GST on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

#### **Interest income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### **Other Income**

Other income is recognized on accrual basis.

### f. **Expenditure**

Expenditure is accounted on accrual basis and provision is made for all known losses and liabilities.

### g. **Employees Retirement Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Leave encashment benefits are accounted for on actual payment.

### h. **Foreign Exchange Transactions**

#### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### **(ii) Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

#### **(iii) Exchange difference**

Exchange differences arising on the settlement of monetary items or on reporting Company monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.



# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## **Notes Forming Part of the Consolidated Financial Statements as at 31.03.2024**

### **i. Investments**

Investments that are readily realizable and are intended to be held for not more than one year from the balance sheet date are classified as current investments and are stated at lower of cost and fair market value. All other investments are classified as long term investments.

Long term investments are stated at cost of acquisition. Provision, if any, is made to recognise a decline other than a temporary , in the value of long term investments.

### **j. Taxation**

1. Current Tax is determined on the profit of the year in accordance with the provisions of the Income Tax Act, 1961.
2. Deferred Tax is calculated at the rates and laws that have been enacted or substantively enacted as at the Balance Sheet date and is recognized on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that they can be realized.
3. MAT credit is recognized as an asset when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal tax during the specified period.

### **k. Borrowing Costs**

Borrowing cost includes interest, amortization of ancillary cost incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### **l. Segment Reporting**

The company has considered business segment as the primary segment for disclosure. The company is primarily engaged in the manufacture & Sale of Automotives parts, which in the context of Accounting Standard 17 on Segment Reporting are considered the only one reportable segment.

### **m. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognized, but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

# EMMFORCE AUTOTECH LIMITED

CIN - U29301HR2023PLC115705

## **Notes Forming Part of the Consolidated Financial Statements as at 31.03.2024**

n. **Earning Per Share**

The basic earnings per share is calculated by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares is ignored in the calculation of earnings per share.

o. **Cash Flow Statements**

Cash flow are reported using indirect method, whereby net profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, investing and financing activities of the Company are segregated.

p. **Operating Cycle**

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

q. **Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires managements to make judgments, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**Note No. 2.28 Related Party Disclosure**

**(A) Related Parties and their relationship :**

**I Subsidiaries of the Holding Company**

**A Subsidiaries (with the Company's direct equity holdings in excess of 50%):**

M/s Emmbros Mobility Solutions Pvt Ltd (80% holding)

**II Key Management Personnel [Para 3(d) of AS-18]:**

1 Mr. Ashok Mehta	Managing Director
2 Mrs. Neetu Mehta	Director
3 Mr. Azeez Mehta	Director

**III Enterprises/Personnel under Significant Influence of Key Management Personnel and their Relatives [Para 3(e) of AS-18]:**

- 1 M/s Emmbros Automotives Pvt Ltd
- 2 M/s Prospeedways LLC USA
- 3 M/s Emmforce Inc (till 13.10.2023)
- 4 Ashok Mehta HUF
- 5 Navya Mehta
- 6 Narinder Krishan Miglani
- 7 Gaurav Miglani
- 8 Saurav Miglani

**(B) Related Parties Transactions:**

Fig. in 000'

Nature of Transaction	Nature of Transaction	Amount of transaction in Rs.		Outstanding Balance at the end of the Current year	Outstanding Balance at the end of the Previous year
		During Current Year			
		Receipt	Payment		
<b>1. Transaction during the year</b>					
<b>Key Management Personnel</b>					
Mr. Ashok Mehta	Remuneration	-	5000	-	-
	Unsecured Loan	44238	11085	38353	-
	Interest on U.Loan	-	1597	-	-
Mrs. Neetu Mehta	Unsecured Loan	60978	10652	55526	-
	Rent	-	1000	-	-
	Interest on U.Loan	-	2269	-	-
Mr. Azeez Mehta	Remuneration	-	2842	-	-
	Unsecured Loan	1282	355	927	-
	Interest on U.Loan	-	51	-	-
<b>Relatives Key Management Personnel</b>					
Ashok Mehta HUF	Unsecured Loan	2675	11	2664	-
Ashok Mehta HUF	Interest on U.Loan	-	107	-	-
Navya Mehta	Unsecured Loan	-	-	-	-
Narinder Kumar Miglani	Unsecured Loan	-	-	-	-
Gaurav Miglani	Unsecured Loan	-	-	-	-
Saurav Miglani	Unsecured Loan	-	-	-	-
<b>Enterprises in which Key Management Personnel is interested:</b>					
Emmbros Automotives Pvt Limited	Sale of Goods	2732	-	-	-
	Purchases	-	87865	-	-
M/s Prospeedways LLC USA	Sale of Goods	37566	-	-	-
M/s Emmforce Inc	Unsecured Loan	100	500	-	-

**Note No. 2.29 - Contingent Liabilities**

Claims against the company not acknowledged as debts:

Current Year - Nil

Previous Year - Nil

**Note No. 2.30** Estimated amount of contracts remaining to be executed on capital account and not provided for:

Current Year - Nil

Previous Year - Nil

**Note No. 2.31** : In the opinion of the Board of Directors, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.**Note No. 2.32:** Balances with Trade Receivables / Trade Payables and Loans & advances, Unsecured Loans have been taken at their book value subject to confirmation and reconciliation. Loans and Advances are considered good in respect of which company does not hold any security**Note No. 2.33 - Disclosures under Accounting Standards**

Fig. in 000'

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
<b>2.32(a) Earnings per share (Basic and diluted)</b>		
Net profit / (loss) for the year (Continuing operations & Total operations)	40883	-
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	40883	-
Weighted average number of equity shares	15000	-
Par value per share	10	-
Earnings per share - Basic	2.73	-
<b>2.32(b) Deferred Tax Liabilities have been created during current year as per provisions prescribed under AS-22 issued by ICAI. The details are as under</b>		
<b>Deferred tax (liability) / asset</b>		
Opg Balance	-	-
Tax effect of items constituting deferred tax assets		
On difference between book balance and tax balance of fixed assets	1477	-
<b>Net deferred tax liability / (asset)</b>	<b>1477</b>	<b>-</b>

**Note No. 2.34** : There is no employee who is in receipt of remuneration exceeding the limit prescribed in accordance with the provisions of Companies Act 2013.**Note No. 2.35** : Managerial Remuneration paid to Directors is as follows

Fig. in 000'

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
- Remuneration	7842	-
-Perquisites Value	500	-

**Note No. 2.36** - Details of payment to Auditors is as under

Fig. in 000'

Auditors Remuneration	AS AT 31.03.2024	AS AT 31.03.2023
Statutory Audit Fees & Tax Audit (Net of GST)	350	Nil
Other Services (Net of GST)	Nil	Nil

**Note No. 2.37** - On the basis of information available with the company regarding the status of suppliers, the Sundry Creditors include the following Micro Small & Medium Enterprises, as defined under The Micro Small & Medium Enterprises Development Act, 2008.

**Fig. in 000'**

Particulars	AS AT 31.03.2024	AS AT 31.03.2023
Principal amount and interest due thereon remaining unpaid to any supplier as at end of accounting year	26597	-
The amount of interest paid by company along with the amounts of payment made to supplier beyond appointed day for financial year ending <b>31 March 2024</b>	-	-
The amount of interest due & payable for the period of delay in making payment (beyond the appointed day during the year)	-	-
The amount of interest due accrued and remaining unpaid for the year ending <b>31 March 2024</b>	-	-
The amount of further interest remaining due and payable for earlier years.	-	-

**Note No. 2.38** - In the opinion of management, the value on realisation of current assets, Loans & Advances in the ordinary course of business will not less than the value at which these are stated in balance sheet.

**Note No. 2.39**

	AS AT 31.03.2024	AS AT 31.03.2023
Value of Imports	Nil	Nil
Finished Goods	Nil	Nil

**Note No. 2.40** - Transactions in Foreign Currency are as below:

**Fig. in 000'**

Foreign Currency Transactions (in Equivalent INR)	AS AT 31.03.2024	AS AT 31.03.2023
Foreign Currency Earnings	391821	-
Foreign Currency Expenditure	49807	-

**Note No. 2.41** - The company is a Holding company of M/s Emmforce Mobility Solutions Pvt Ltd.

**Note No. 2.42** - Additional Regulatory Disclosures

- a) All the Title deeds of Immovable Property are in the name of the Company.
- b) During the year company has not revalued its Property, Plant and Equipment
- c) During the year, the company has not granted any loans or advances in the nature of loans to Promoters, Directors, KMPs and the related parties (as defined under companies act)
- d) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
  - (a) Crypto Currency or Virtual Currency
  - (b) Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
  - (c) Registration of charges or satisfaction with Registrar of Companies
  - (d) Relating to borrowed funds:
    - i. Wilful defaulter
    - ii. Utilisation of borrowed funds & share premium
    - iii. Borrowings obtained on the basis of security of current assets
    - iv. Discrepancy in utilisation of borrowings
  - v. Current maturity of long term borrowings
- e) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.
- f) The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

Details of Ratios		Year ended 31.03.2024	Year ended 31.03.2023	% Variance	Reason for Variance (Mandtorily if exceeds 25%)
<b>(1) Current Ratio (Times)</b>	Ratio	1.44	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Current Assets	Numerator	511849	-		
Current Liabilities	Denominator	355703	-		
<b>(2) Net Debt Equity Ratio (Times)</b>	Ratio	2.20	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Debt capital (Long term borrowings+Short term borrowings)	Numerator	423283	-		
Shareholder's Equity (Total Equity)	Denominator	192661	-		
<b>(3) Debt service coverage ratio (Times)</b>	Ratio	6.99	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Profit after tax+Finance costs+ Depreciation and amortization expenses+Loss/(Gain) on sale of Property Plant & Equipment+Exceptional items	Numerator	59443	-		
Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	Denominator	8500	-		
<b>(4) Return on Equity (%)</b>	Ratio	21.22	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Profit after tax (PAT)	Numerator	40883	-		
Shareholder's Equity	Denominator	192661	-		
<b>(5) Inventory turnover ratio (in days)"</b>	Ratio	40.06	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Revenue from operations	Numerator	400710	-		
Average Inventory (Opg Inventory+Clg Inventory)	Denominator	94436	-		
<b>(6) Debtors turnover ratio (in days)</b>	Ratio	87.81	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Revenue from operations	Numerator	400710	-		
Average trade receivables (Opg + Clg Trade Receivables)	Denominator	206974	-		
<b>(7) Trade payables turnover ratio (in days)</b>	Ratio	97.12	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Total Purchases	Numerator	258522	-		
Average Trade Payables (Opg + Clg Trade Payables)	Denominator	147685	-		
<b>(8) Net capital turnover ratio (in days)</b>	Ratio	68.55	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Revenue from operations	Numerator	400710	-		
Working Capital+current maturities of long term borrowings	Denominator	161569	-		
<b>(9) Net profit ratio (%)*</b>	Ratio	9.90	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Profit for the year	Numerator	40883	-		
Total Revenue	Denominator	412830	-		
<b>(10) Return on Capital Employed (%)"</b>	Ratio	14.36	-	-	The Company was newly incorporated on 13.10.2023, hence no previous period figures.
Earning before interest and taxes	Numerator	65464	-		
Tangible Net Worth + Total Debt + Deferred Tax Liabilities	Denominator	455851	-		
<b>(11) Return on investment (%)</b>	Ratio	-	-	-	Nil
Income generated from invested funds	Numerator	-	-		
Time weighted average invested funds in investments	Denominator	-	-		

**Note No. 2.44** The company was incorporated on 13.10.2023 on coversion of M/s Emmforce INC (Partnership Concern) to M/s Emmforce Autotech Ltd. The Current year being the first year of Company, hence there are no previous year figures.

As per our report of even date attached  
for **Vijay Jindal & Associates**  
Chartered Accountants

-Sd-

(CA Vijay Jindal, Prop.)

M. No. 089159

FRN: 010457N

**UDIN Ref. No.24089159BKDSZD2598**

Place: Chandigarh

Date: 30.05.2024

For and on the behalf of the Board  
For Emmforce AutoTech Limited

-Sd-

(Ashok Mehta)

Director

(DIN 00058188)

-Sd-

(Neetu Mehta)

Director

(DIN 00319456)

-Sd-

(Azeez Mehta)

WTD cum CFO

(DIN 10353827)

-Sd-

(Parul Gupta)

Company Secretary

(PAN - ASAPG4530D)