MUNJAL AUTO
INDUSTRIES LIMITED
Waghodia Plant

MAIL/SECY/AR/FY-2023-24 **October 26 , 2024**

To, The Secretary, BSE Ltd. 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 **Scrip Code - 520059**	To, Asst. Vice President, National Stock Exchange of India Ltd., Exchange Plaza, Plot C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 **Symbol - MUNJALAU**

Sub: 39th Annual Report for FY 2023-24

Ref: Regulation 30 & 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your email dated 21-10-2024

Dear Sir,

Pursuant to Regulations 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the revised Annual Report due to printing error for the financial year 2023-24.

In compliance with circulars issued by the SEBI and the Ministry of Corporate Affairs, the Annual Report and the Notice are available on the website of the Company at www.munjalauto.com.

Kindly take the above on your record and acknowledge the same.

Thanking you,

Yours faithfully,
For Munjal Auto Industries Limited

Gauri Y Bapat
Digitally signed by Gauri Y Bapat
Date: 2024.10.26 16:16:39 +05'30'

Gauri Y. Bapat
Company Secretary & Compliance Officer
ACS22782

Corporate Office: - 2nd Floor , Tower "C" Unitech Business Zone, Nirvana Country, South City-2,Sector-50, Gurugram-122018 Tel: +91-124-4057891-92,
Waghodia Plant / Regd. Office : - 187, GIDC, Industrial Estate, Waghodia, Distt. Vadodara (Gujarat) - 391760. Tel: +91-2668-262421, Fax: +91-2668-262427
Bawal Plant : Plot No. 37, Sector 5, Ph - II, IMT-Bawal, Distt. Rewari (HR) - 123501. Tel: +91-1284-264435-36, Fax : +91-1284-264434
Haridwar Plant: - Plot No.-11, Industrial Park II, Vill,-Salempur Mehmood, Distt.-Haridwar (Uttrakhand) - 249402. Tel: +91-01334-235530,32, Fax: +91-1334-235533
Dharuhera Plant : - Plant No. -32A, Industrial Area, Dharuhera, Distt.-Rewari (HR) - 122106. Tel: +91-01274-243010-14
For more information please mail mail@munjalauto.com or visit us www.munjalauto.com
CIN : L34100GJ1985PLC007958

MUNJAL AUTO

39th Annual Report & Accounts 2023-24

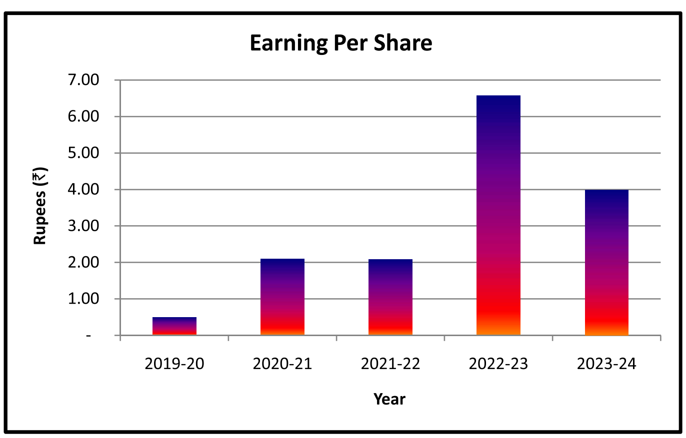
Munjal Auto Industries Limited

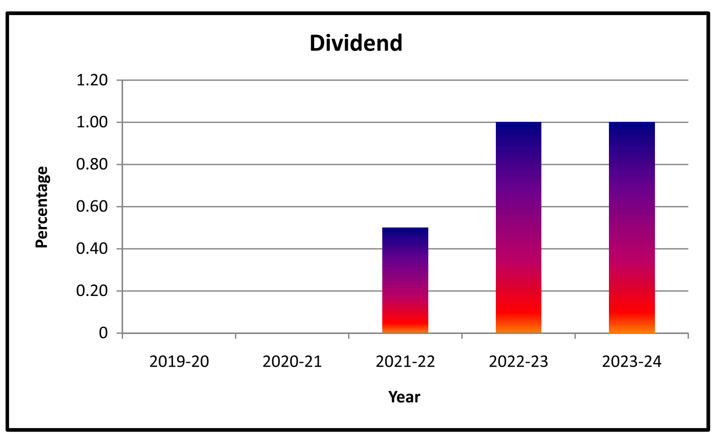
FINANCIAL STATISTICS
FIVE YEARS' TRACK RECORD

(Amount ₹ in Lakhs)

	2019-20	2020-21	2021-22	2022-23	2023-24
Equity Share Capital	2,000	2,000	2,000	2,000	2,000
Reserves & Surplus	27,374	29,536	31,633	37,256	39,019
Deferred Tax Liability / (Assets)	(1,247)	(659)	(269)	721	1,897
Secured Loans	8,020	6,870	4,763	3,092	1,465
Total External Liability	33,363	39,774	39,120	34,762	25,134
Total Assets	69,510	77,521	77,248	77,831	69,515
Sales	1,14,821	1,99,154	1,71,570	1,59,504	1,35,977
YoY Growth	-0.23%	73.45%	-13.85%	-7.03%	-14.75%
Profit Before Interest, Depreciation & Tax (PBDIT)	3,686	6,390	5,592	6,990	8,529
Interest	844	867	488	440	327
Depreciation	2,157	2,248	2,099	2,037	1,978
Profit Before Tax	685	3,275	3,004	*9,229	6,223
Profit After Tax	494	2,103	2,081	*6,573	3,947
Earning Per Share (Nominal value of ₹ 2/- each)	0.49	2.10	2.08	6.57	3.95
Dividend	-	-	50%	100%	100%

*It includes exceptional profit of ₹ 4,716 lakhs from sale of surplus land at Waghodia Plant.





CORPORATE INFORMATION
Munjal Auto Industries Limited
CIN: L34100GJ1985PLC007958

BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR
Mr. Sudhir Kumar Munjal

WHOLE TIME DIRECTORS
Mrs. Anju Munjal
Mr. Anuj Munjal

DIRECTORS
Ms. Avi Sabavala
Mr. Vikram Shah (upto May 18, 2024)
Mr. Naresh Kumar Chawla (upto May 18, 2024)
Mr. Mahendra Sanghvi (upto May 18, 2024)
Mr. Ramkisan Devidayal (upto May 18, 2024)
Mr. Sudesh Kumar Duggal (upto May 18, 2024)
Mr. Jal Ratanshaw Patel (upto May 18, 2024)
Mr. Atul Patel (w.e.f. April 18, 2024)
Mr. Sunil Vakil (w.e.f. April 18, 2024)
Mr. Sameer Khera (w.e.f. April 18, 2024)

CFO
Mr. Brham Prakash Yadav

COMPANY SECRETARY
Mr. Rakesh Johari (upto May 25, 2024)
Mrs. Gauri Bapat (w.e.f. June 10, 2024)

AUDITORS
K C Mehta & Co LLP
Chartered Accountants
Meghdhanush, Race Course,
Vadodara - 390007

BANKERS
State Bank of India
HDFC Bank Limited

REGISTERED OFFICE & PLANT I
187, GIDC Industrial Estate,
Waghodia - 391760
Dist. Vadodara, Gujarat

PLANT II
Plot No.37, Sector 5, Phase II,
Growth Centre, Bawal - 123501
Dist. Rewari, Haryana

PLANT III
Plot No.11, Industrial Park -2, Village: Salempur,
Mehdood, Haridwar - 249402, Uttarakhand

PLANT IV
Plot No.32A, Industrial Area,
Phase II, Dharuhera - 122106,
Dist. Rewari, Haryana

CORPORATE OFFICE
Unitech Business Zone, 2nd Floor,
Tower C, Nirvana Country, South City - 2,
Sector - 50, Gurugram - 122018

CONTENTS

BOARD'S REPORT

Dear Members,

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

1. THE STATE OF COMPANY'S AFFAIRS:

(i) FINANCIAL RESULTS - STANDALONE AND CONSOLIDATED

The Company's financial performance for the year ended March 31, 2024 is summarized below: -

(Amount ₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from operations	1,32,242.27	1,58,145.56	1,88,176.18	1,98,428.79
Other income	3,734.37	1,358.80	3,606.54	1,274.33
Total Income	**1,35,976.64**	**1,59,504.36**	**1,91,782.72**	**1,99,703.12**
Profit before depreciation, exceptional item and tax	**8,201.57**	**6,550.15**	**12,888.52**	**7,562.35**
(Less): Depreciation	(1,978.39)	(2,036.92)	(5,571.97)	(5,301.90)
Add/(Less): Exceptional item	-	4,716.32	(1,192.81)	4,764.68
Profit before Tax	**6,223.18**	**9,229.55**	**6,123.74**	**7,025.13**
Add/(Less): Taxation				
- Current year	(1,369.42)	(2,570.32)	(1,806.15)	(2,570.32)
- Earlier years	(82.98)	(87.82)	(82.98)	(149.27)
- Deferred tax	(823.85)	1.44	(431.68)	856.51
Profit after tax	**3,946.93**	**6,572.85**	**3,802.93**	**5,162.05**
Attributable to:				
Add /(Less):Non-Controlling Interest	-	-	46.08	451.45
Shareholders of the Company	3,946.93	6,572.85	3,849.01	5,613.50
Opening balance for retained earnings	**35,352.36**	**29,779.51**	**34,447.25**	**29,833.74**
(Less):Dividend	**(2,000.00)**	**(1,000.00)**	**(2,000.00)**	**(1,000.00)**
Closing balance for retained earnings	**37,299.29**	**35,352.36**	**36,296.26**	**34,447.25**
Earnings per share (in ₹)	**3.95**	**6.57**	**3.85**	**5.61**

(ii) STANDALONE FINANCIAL HIGHLIGHTS/SUMMARY

During FY 2023-24, total income of the Company was ₹ 1,360 Crores as compared to ₹ 1,595 Crores in FY 2022-23, showing drop of about 14.73%.

Profit before tax and Profit after tax were ₹ 62.23 Crores and ₹ 39.47 Crores respectively for the FY 2023-24 as against ₹ 92.30 Crores and ₹ 65.73 Crores respectively in in FY 2022-23 which can be mainly attributed to exceptional item by way of sale of surplus Land.

(iii) CONSOLIDATED FINANCIAL HIGHLIGHTS/ SUMMARY

During FY 2023-24, total income of the Company was ₹ 1,918 Crores as compared to ₹ 1,997 Crores in FY 2022-23, showing drop of about 3.96%. Profit before tax and Profit after tax were ₹ 61.23 Crores and ₹ 38.03 Crores respectively for the FY 2023-24 as against ₹ 70.25 Crores and ₹ 51.62 Crores respectively in FY 2022-23.

2. PERFORMANCE AND CONTRIBUTION OF SUBSIDIARY

(i) PERFORMANCE OF SUBSIDIARY

Revenue from operations of Indutch Composites Technology Private Limited (ICTPL) was ₹ 559 Crores in FY 2023-24 as against ₹ 403 Crores in FY 2022-23.

Profit before tax and Profit after tax of ICTPL were ₹ 10.23 Crore and Rs. (-) 2.14 Crore respectively during FY 2023-24 as against profit of ₹ (-) 23.73 Crore and ₹ (-) 15.31 Crore respectively in FY 2022-23.

(ii) CONSOLIDATED FINANCIAL STATEMENTS (INCLUDING CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY)

The consolidated financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind AS) - 110 on Consolidated Financial Statements, Section 129 of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("the Listing Regulations") along with a separate statement containing the salient features of the financial performance of its subsidiary in the prescribed form. The audited consolidated financial statements together with Auditors' Report form part of the Annual Report and reflect the contribution of the subsidiary to the overall performance of the Company.

3. DIVIDEND

i. Dividend Distribution Policy

The Board of Directors of the Company has formulated a Dividend Distribution Policy ('the Policy') in accordance with the regulation 43A of the listing regulations. The Policy is available on the Company's website URL:https://munjalauto.com/wp-content/uploads/2021/09/Dividend-Distribution-Policy.pdf

ii. Declaration and Payment of Dividend

Your Directors have pleased to recommend a dividend @ 100% i.e. ₹ 2/- on equity share of ₹ 2/- each for the financial year ended March 31, 2024. The Board has recommended such dividend based on the parameters laid down in the Policy and dividend will be paid out of the profits for the year.

The said dividend, if approved by the Members at theensuing Annual General Meeting ('the AGM") will be paid to those Members whose name appears on the register of Members (including Beneficial Owners) of the Company asat the end of Thursday, September 19, 2024. The said dividend, if approvedby the Members, would involve cash outflow of ₹ 20 crore, resulting in a payout of 50.68% of the standalone net profit of theCompany for FY 2023-24.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

iii. Book Closure and Record Date

The Register of Members and Share Transfer Books of the Company will be closed from September 20, 2024, to September 26, 2024, (both days inclusive) and the Company has fixed Thursday, September 19, 2024, as the "Record Date" for the purpose of determining the entitlement of Members to receive final dividend for the financial year ended March 31, 2024.

4. CHANGE IN NATURE OF BUSINESS

During FY 2023-24, there was no change in the nature of Company's business.

5. CAPACITY UTILIZATION & PLANT OPERATIONS

During FY 2023-24, your Company focused on optimizing investments and ensuring business continuity to enhance market share across various platforms.

All four units of the Company, located at Waghodia in Gujarat, Bawal as well as Dharuhera in Haryana and Haridwar in Uttarakhand are running well and continue to operate at a satisfactory level of efficiency.

6. CHANGES IN CAPITAL STRUCTURE

The paid-up equity capital as on March 31, 2024 stood at ₹ 20 Crore consisting of 10 Crore Equity Shares of ₹ 2/- each with no change as compared to previous financial year.

The Company has not issued any equity shares during the year. Accordingly, the Company is neither required to furnish any information in respect of issue of equity shares with differential rights pursuant to Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014 ('SCD Rules') nor in respect of issue of Employees Stock Option pursuant to Rule 12(9) of SCD Rules nor in respect of issue of Sweat Equity Shares pursuant to Rule 12(9) of SCD Rules. The Company has only one class of equity shares with face value of ₹ 2/- each, ranking pari-passu.

7. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the recommendations of the Nomination and Remuneration Committee ('NRC'), the Board of Directors has approved the following appointments during the year under review in accordance with the Company's Articles of Association and Companies Act, 2013, subject to the approval of the Members at the forthcoming AGM:

i. In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Sudhir

Kumar Munjal (DIN: 00084080), Managing Director of the Company, retires by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. His reappointment is recommended by the Nomination and Remuneration Committee. A brief resume and other details of Mr. Sudhir Kumar Munjal, who is proposed to be re-appointed as a Director of your Company, have been furnished in the explanatory statement to the notice of the ensuing annual general meeting.

ii. In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Anju Munjal (DIN: 00007867) and Mr. Anuj Munjal (DIN : 02714266), who wereearlier appointed as Whole Time Director of the Company for the term of 5 years. Their term would expire on September 28, 2024 and May 31, 2025 respectively, and being eligible, offered for re-appointment. Based on the recommendations of the NRC, the Board of Directors at its Meeting held on May 24, 2024, have re-appointed Mrs. Anju Munjal and Mr. Anuj Munjal as Whole Time Directors of the Company for a period of 5 years commencing from September 29, 2024 to September 28, 2029 and from June 01, 2025 to May 31, 2030 respectively. Their re-appointment and remuneration payable to them are subject to the approval of the Members at the ensuing AGM. A brief resume and other details of Mrs. Anju Munjal and Mr. Anuj Munjal, who are proposed to be re-appointed as a Whole Time Directors of your Company, have been furnished in the explanatory statement to the notice of the ensuing annual general meeting.

iii. Mr. Vikram Chinubhai Shah [DIN 00007914], Mr. Naresh Kumar Chawla [DIN 00007842], Mr. Mahendra Sanghvi [DIN 00084162], Mr. Ramkisan Devidayal [DIN 00238853], Mr. Sudesh Kumar Duggal [DIN 00566943], and Mr. Jal Ratanshaw Patel [DIN 00065021] Non-Executive Independent Directors of the Company have completed their second consecutive term of 5 years each on May 18, 2024 ceased to be Directors in accordance with sub-section 11 of section 149 of the Act, read with regulation 25(2) of the listing Regulation. The Board has placed on record its appreciation for valuable contribution made by them during their tenure as Independent Directors and committee members.

iv. The Board of Directors at its meeting held on April 18, 2024, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Atul Haribhai Patel [DIN 00009587], Mr. Sameer Subhash Khera [DIN 00009317] and Mr. Sunil Chinubhai Vakil [DIN 02527630], as Additional Director(s) to hold office upto next Annual General Meeting and as Non-Executive Independent Director of the Company to hold office for a period of 5 (five) years i.e., upto April 17, 2029. In accordance with Sections 149, 152, 161, Schedule IV and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the SEBI Listing Regulations [including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force] and the Articles of Association of the Company, even if Mr. Atul Haribhai Patel would attain the age of 75 years, not liable to retire by rotation, subject to the approval of the shareholders through Special Resolution.

Subseqently shareholder approved their appointment through postal ballot by way of special Resolution on June 12, 2024.

v. Mr. Rakesh Johari tendered his resignation on April 20, 2024, from the post of Company Secretary and Compliance Officer (Key Managerial Personnel) of the Company. He has decided to pursue a career outside of the company. The company has accepted his resignation, and he will cease to be in the post with effect from May 25, 2024.

vi. On recommendation of NRC Committee, The Board of Directors has appointed Ms. Gauri Yagnesh Bapat as Company Secretary & Compliance Officer of the Company w.e.f. June 10, 2024.

8. POLICY FOR NOMINATION AND APPOINTMENT OF DIRECTORS

The Company's Policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act (salient features) has been briefly disclosed hereunder and in the Report on Corporate Governance, which is a part of this Report.

Selection and procedure for nomination and appointment of Directors

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC conducts a gap analysis to refresh the Board on a periodic basis, including each time a director's appointment or re-appointment is required. The NRC reviews and vets the profiles of potential candidates vis-à-vis the required competencies, undertakes due diligence and meeting potential candidates, prior to making recommendations of their nomination to the Board.

Criteria for determining qualifications, positive attributes and independence of a Director

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the SEBI Listing Regulations, the NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- **Qualifications -** The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- **Positive Attributes -** Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.
- **Independence -** A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act and the Rules framed thereunder read with Regulation 16(1)(b) of the Listing Regulations.

9. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provision of the Act and the SEBI Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.('SEBI')

In a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. Additionally, they also evaluated the Chairman of the Board, taking into the views of Executive and Non-Executive Directors in the aforesaid Meeting. The Board also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The above evaluations were then discussed in the Board Meeting and performance evaluation of Independent directors was done by the entire Board, excluding the respective Independent Director being evaluated.

10. QUALITY

Your Company is focusing on quality, right from new product development stage such as design of processes, manufacturing of tools, fixtures & dies, to ensure quality output. This is the attribute of your Company which has enabled it to sustain as a consistent quality producer over the years.

11. FINANCE

Your Company continued to focus on operational improvement. Continuing focus on managing optimal levels of inventory, sound business performance, operating efficiencies in various segments of business and cost saving drive across the organization have helped it generating smooth cash flow from operations.

Your Company continues to enjoy excellent credit ratings for both long and short tenure borrowings and maintains impeccable debt-servicing track record, which helps it retain excellent rapport with all of its bankers.

12. CORPORATE GOVERNANCE

The Company follows the best governance practices to boost long-term shareholder value and respect minority rights. The Company considers the same as its inherent responsibility to disclose timely and accurate information to its stakeholders regarding its operations and performance, as well as the leadership and governance of the Company.

The Company is committed to the Code of Conduct which articulates values and ideals that guide and govern the conduct of the Company as well as its employees in all matters relating to business. The Company's overall governance framework, systems and processes reflect and support its Mission, Vision and Values. The Company's governance guidelines cover aspects mainly relating to the composition and role of the Board, Chairman and Directors, Board diversity etc. of the Board.

Certificate of Corporate Governance and Non-Disqualification of Directors, issued by Secretarial Auditor of the Company is attached to the Corporate Governance Report as Annexure III and Annexure IV respectively.

13. TRANSFER TO GENERAL RESERVE

The Company is not required to transfer any amount to its reserves. Accordingly, no amount has been transferred to General Reserve of the Company.

14. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, your Company has transferred unpaid/unclaimed dividend amounting to ₹ 11.71 Lakhs for FY 2015-16 and related 40,937 shares to the Investor Education and Protection Fund Authority (IEPF) of the Central Government of India.

15. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in 'Annexure A' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report. CSR Policy is available on the Company's website on www.munjalauto.com.

The Company has spent ₹ 77.00 Lakhs as against the amount required to be spent on CSR activities during the year under review in accordance with the provisions of Section 135 of the Act of ₹ 74.42 Lakhs.

16. POLICY RELATING TO PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Internal Complaints Committee (‘ICC’) is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are supposed to adhere to and conduct themselves as prescribed in this policy.

The summary of sexual harassment complaints received and disposed off during the financial yearis as under:

- Number of Complaints Received – Nil
- Number of Complaints Disposed off – Nil

17. DEPOSITS

Your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended March 31, 2024.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the FY 2023-24, your Company has not given any guarantees or securities within the meaning of the provisions of Section 186 of the Act.

However, the aggregate of loans and advances granted, as also investments made, if any are within the limits of Section 186 of the Act and have been disclosed in financial statements.

19. DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

a) In the preparation of the annual accounts financial year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) they have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for the financial year ended March 31, 2024 under review;

c) they have 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) they have prepared the annual accounts for the financial year ended March 31, 2024 on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) they have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Companies Act, 2013 (‘the Act’) and Listing Regulations, the Company has formulated a Policy on Related Party Transactions (‘RPT Policy’) for identifying, reviewing, approving and monitoring of Related Party Transactions and the same is available on the Company’s website at https://www.munjalauto.com/wp-content/uploads/2018/08/Related-Party-Transaction-Policy.pdf.

All related party transactions entered into during FY 2023-24 were on arm’s length basis and in the ordinary course of business and were reviewed and approved by the Audit Committee. With a view to ensuring continuity of day-to-day operations, an omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm’s length basis. A statement giving details of all related party transactions entered pursuant to the omnibus approval sogranted is placed before the Audit Committee on a quarterly basis for its review.

As per the Listing Regulations, if any Related Party Transaction (‘RPT’) exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as Material Related Party Transactions and would require Members approval. In this regard, there were no Material Related Party Transactions with any of its related parties as per the Act. Therefore, the disclosure of the Related Party Transactions as required under Section 134(3)(h) of the Act in AOC-2 is not applicable to the Company for FY 2023-24 and, hence, the same is not required to be provided.

In terms of Regulation 23 of the SEBI Listing Regulations, the Company submits details of related party transactions on a consolidated basis as per the specified format to the stock exchanges on a half-yearly basis. The details of the transactions with related parties are provided in the accompanying Financial Statements.

21. HOLDING/SUBSIDIARY COMPANY

During the FY 2023-24, Thakurdevi Investments Private Limited (TDIPL) continues to be holding Company of the Company, holding 74.81% Equity Share Capital of the Company.

During the FY 2023-24, Indutch Composites Technology Pvt. Ltd. (ICTPL) continues to be subsidiary company. Munjal Auto Industries Limited continues to hold 68% Equity Share Capital of ICTPL. The annual accounts of subsidiary companies are available on the website of the Company viz. www.munjalauto.com.

There are no associates or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the holding or subsidiary.

The Board of Directors of your Company ('the Board') has approved a policy for determining material subsidiaries. Indutch Composites Technology Pvt. Ltd. is material subsidiary company. The Policy on material subsidiaries can be viewed on the Company's websitehttps://munjalauto.com/finance/reg-46-disclosure/.

22. AUDIT COMMITTEE RECOMMENDATIONS

During the FY 2023-24, the Board has accepted all recommendations of Audit Committee and accordingly no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

23. INTERNAL FINANCIAL CONTROL

Internal financial control systems of the Company are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable accounting standards and relevant statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. The Company has a well-defined delegation of authority with specified limits for approval of expenditure, both capital and revenue.

The Audit Committee deliberated with the members of the Management, considered the systems as laid down and met the internal audit team and statutory auditors to ascertain their views on the internal financial control systems. The Audit Committee satisfied itself as to the adequacy and effectiveness of the internal financial control systems as laid down and kept the Board of Directors informed. However, the Company recognizes that no matter how the internal control framework is, it has inherent limitations and accordingly, periodic audits and reviews ensure that such systems are updated on regular intervals.

24. INSURANCE

Your Company's assets are adequately insured against multiple risks from fire, riot, earthquake, terrorism and other risks, which are considered necessary by the Management.

As an additional coverage, a Public Liability Insurance Policy is also in place to cover public liability, if any, arising out of any industrial accidents. The Company has also covered the Directors' and Officers' liability under the Act to meet with any eventuality.

25. RATINGS FOR BORROWING

ICRA, the rating agency has reaffirmed AA- with stable outlook for the long-term ratings for bank facilities and A1+ the short-term rating for short term bank facilities and commercial paper of your Company vide letter dated July 18, 2023. The aforesaid rating is valid till June 30, 2024.

26. AUDITORS

I. Statutory Auditors

The Company at its 37th AGM held on September 16, 2022 appointed K. C. Mehta & Co., LLP, Chartered Accountants, Vadodara, as Statutory Auditors of the Company for a second term of 5 consecutive years commenced from the conclusion of ensuing 37th Annual General Meeting until the conclusion of 42nd Annual General Meeting of the Company to be held in 2027.

II. Internal Auditors

CNK & Associates LLP, Chartered Accountants, Vadodara, have been appointed as Internal Auditors of the Company in terms of Section 138 of the Companies Act, 2013 and rules and regulations, made thereunder, for the Financial Year 2024-25 by the Board of Directors, upon recommendation of the Audit Committee.

III. Secretarial Auditors

As required under Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint a Secretarial Auditor for auditing secretarial and related records of the Company.

The Secretarial Audit Report for the year 2023-24, given by M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara is attached as 'Annexure B' to this Report.

The Board at its meeting held on May 24, 2024 has re-appointed M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara as Secretarial Auditors for the financial year 2024-25.

IV. Cost Records and Audit

The Company is neither required to maintain Cost Records nor required to appoint Cost Auditor pursuant to Section 148 of the Act and rules framed thereunder.

27. EXPLANATIONS/COMMENTS ON STATUTORY AUDITORS' REPORT & SECRETARIAL AUDITORS' REPORT

Neither the Statutory Auditors nor the Secretarial Auditors of the Company, in their respective Draft reports, have made any qualifications, reservations, adverse remarks or disclaimers. Accordingly, no explanations/ comments thereon are required to be furnished.

28. AUDIT COMMITTEE

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of the Listing Regulations. The Chairman of the Audit Committee is an Independent Director. The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures the efficiency and effectiveness of the operations of the Company and safeguarding of assets and adequacy of provisions for all liabilities. Further details on the Audit Committee and its terms of reference etc. including composition of the committee as at March 31, 2024 have been furnished in Corporate Governance Report.

The composition of Audit Committee reconstituted as on April 18, 2024, is as follows

Sr. No.	Name of Director	Chairman/Member
1.	Mr. Sunil Chinubhai Vakil	Chairman
2.	Mr. Atul Haribhai Patel	Member
3.	Mrs. Avi Sabawala	Member
4.	Mr. Sudhir Kumar Munjal	Member

29. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Nomination and Remuneration Committee (NRC) is in line with the Section 178 of the Act read with Regulation 19 of the Listing Regulations. The Committee determines overall Company's Policy on remuneration packages and other terms and conditions of the appointment of the Executive Directors and senior management of the Company as well as sitting fees to the Non-Executive Directors of the Company and also to approve payment of remuneration to Managing Director and Whole Time Directors as decided by the members of the Company and recommends to the Board of Directors for their consideration and approval. The details of meetings, composition and their attendance during the Financial Year 2023-24 are included in the Corporate Governance Report.

The composition of Nomination and Remuneration Committee reconstituted as on April 18, 2024 is as follows

Sr. No.	Name of Director	Chairman/Member
1.	Mr. Atul Haribhai Patel	Chairman
2.	Mr. Sunil Chinubhai Vakil	Member
3.	Mr. Sudhir Kumar Munjal	Member

30. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Stakeholders' Relationship Committee (SRC) is in line with the Section 178 of the Act and Regulation 20 of the Listing Regulations. The Committee looks into investors' grievances arising out of issues regarding share transfers, dividends, dematerialization and related matters, evaluating performance and service standards of the Registrar and Share Transfer Agent and takes requisite action(s) to redress the same. The details of meetings, composition and their attendance during the Financial Year 2023-24 are included in the Corporate Governance Report.

The composition of Stakeholders' Relationship Committee reconstituted as on April 18, 2024 is as follows

Sr. No.	Name of Director	Chairman/Member
1.	Mrs. Avi Sabawala	Chairman
2.	Mr. Sameer Subhash Khera	Member
3.	Mr. Anuj Munjal	Member

31. REPORTING OF FRAUDS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and rules framed thereunder either to the Company or to the Central Government.

32. ANNUAL RETURN ON THE WEBSITE

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2023-24 is uploaded on the website of the Company athttps://munjalauto.com/finance/annual-reports.

33. CODE OF CONDUCT

The Code of Conduct is applicable to the members of the Board and all designated employees in the course of day to day business operations of the Company. The Code laid down by the Board is known as "Code of Conduct and Fair Disclosure of Unpublished Price Sensitive Information" which forms an Appendix to the Code of Conduct of the Company which is in line with SEBI (Prohibition of Insider Trading) Regulation, 2018.

The Company has received affirmations from Board members as well as senior management confirming their compliance with the said Code for FY 2023-24.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place in business practices and dealing with stakeholders. All the Board members and the senior management personnel have confirmed their compliance with the Code. All management personnel are being provided appropriate training in this regard.

34. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Code of Conduct ('CoC'), any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the CoC cannot be undermined.

Pursuant to Section 177(9) of the Act, read with Regulation 22 of the Listing Regulations a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee for redressal. All persons have access to the Chairperson of the Audit Committee. The policy of vigil mechanism is available on the Company's website at URL: https://www.munjalauto.com/wp-content/uploads/2018/08/Whistle-Blower-Policy..pdf.

35. PREVENTION OF INSIDER TRADING

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the 'Trading Window' is closed. The Board is responsible for implementation of the code. All Directors and the designated employees have confirmed compliance with the code.

36. BOARD MEETINGS

Four meetings of the Board of Directors were held during the financial year 2023-24. Details of the composition of the Board and its committees and of the meeting held, attendance of the Directors of such meetings and other relevant details are provided in the Corporate Governance Report.

37. RISK MANAGEMENT POLICY

Your Company has constituted a Risk Management Committee as per Regulation 21 of the Listing Regulations to frame, implement, monitorand review the Risk Management plan and to ensure itseffectiveness to address their short term, medium term and long terms risks. Further, your Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks.

38. CHANGES AND COMMITMENTS

There has been no material change/ commitment affecting the financial position of the Company during the period from the end of the financial year on March 31, 2024, to the date of the Report.

39. PARTICULARS OF EMPLYOEES

The Statement of disclosure of remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as 'Annexure C'. The information as per Rule 5(2) of the Rules forms part of this report. However, in terms of provisions of Section 136 of the Companies Act, 2013, the report and Financial Statements are being sent to the members of the Company excluding the statement of particulars of employees under Rule 5(2) of the Rules. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at the registered office of the Company.

40. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) of the Listing Regulations, is enclosed as 'Annexure D' and forms part of this report.

41. INDUSTRIAL RELATIONS

Industrial relations have remained cordial throughout the year in the Company at its all units.

42. ENVIRONMENT, HEALTH, SAFETY AND SOCIAL RESPONSIBILITY

The Company has always been conscious of the need to conserve energy in its manufacturing plants and to protect environment. Energy conservation is achieved through optimized consumption of power and fossil fuels and improvements in energy productivity through Energy Conservation ('ENCON') projects, which contributes in reduction in operational costs and climate change mitigation through reduction in greenhouse gases.

Your Company is environment-conscious and committed to making a positive contribution to the communities where it operates. The Company has been proactively pursuing measures and reaching out to the communities surrounding the areas of its operations by extending support and lending a helping hand to some very credible social institutions that are committed to address social causes.

Your Company has been certified for Occupation, Health and Safety (OHSAS) ISO 45001:2018 from Bureau Veritas during FY 2021-22, which is valid upto May 01,2025.

43. **CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION AS WELL AS FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information required under Section 134(3)(m) of the Act read with rules made thereunder is annexed to this report as '**Annexure E**'.

44. **BUSINESS RESPONSIBILITY SUSTAINIBILITY REPORT**

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, mandates the top 1000 Listed Companies by market capitalisation to include Business Responsibility Report ("BR Report") in their Annual Report.

Your Company falls under the top 2000 Listed Companies by market capitalisation. Accordingly, a BR Report describing the initiatives taken by the Company from an environmental, social and governance perspective, does not forms part of this Report.

45. **REMUNERATION POLICY**

Pursuant to provisions of the Act, the Nomination and Remuneration Committee (NRC) of your Board has formulated a Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Managerial Personnel, Senior Management and other employees. The NRC has developed criteria for determining the qualification, positive attributes and independence of Directors and for making payments to Executive and Non- Executive Directors. The remuneration policy of the Company can also be viewed at the website of the Company i.e. www.munjalauto.com.

46. **STATUTORY DISCLOSURES**

Your Directors state that there being no transactions with respect to following items during the year under review, no disclosure or reporting is required in respect of the following matters:

i. No Deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

ii. No Issue of equity shares with differential rights as to dividend, voting or otherwise.

iii. No Issue of shares (including sweat equity shares) to employees of your Company under any scheme.

iv. No receipt of remuneration or commission by the Managing Director nor the Whole-time Directors of your Company from its subsidiaries.

v. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

vi. No Buy-back of shares or financial assistance under Section 67(3).

vii. No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

viii. No settlements have been done with banks or financial institutions.

47. **COMPLIANCES WITH APPLICABLE SECRETARIAL STANDARDS**

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of Board of Directors and General Meetings respectively.

48. **(A) STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE ACT**

The Board of Directors hereby declares that all the independent directors duly appointed by the Company have given the declaration and they meet criteria of independence as provided under Section 149(6) of the Act.

(B) A STATEMENT WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS

Your Directors are of the opinion that Independent Directors of the Company are of high integrity and suitable expertise as well as experience (including proficiency).

ACKNOWLEDGEMENTS

The Board of Directors express their sincere thanks to all of its Stakeholders, including, inter alia, Suppliers, Vendors, Investors and Bankers and appreciation to all its customers for their consistent, abiding support throughout the year.

Your Company also records its appreciation of the contributions made by employees at all levels. Their commitment, cooperation and support are indeed the backbone of all endeavors of the Company.

The Company would like to gratefully acknowledge support/guidance of Government of India and especially Goods and Services Tax (GST) Department, Income Tax Department, Industrial & Labour Departments, Government of Gujarat, Government of Haryana, Government of Uttarakhand and other government agencies, the Company has been receiving over the years and is looking forward to their continued support/guidance in times to come.

For and on behalf of the Board of Directors
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN : 00084080

Date : May 24, 2024
Place : Gurugram

ANNEXURE 'A' TO THE BOARD'S REPORT

Annual Report on CSR Activities for the year 2023-24

1. Brief outline on CSR Policy of the Company

The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013. The CSR policy, inter alia, covers the concept (CSR philosophy, snapshot of activities undertaken by the group and applicability, scope/area/localities to be covered and activities), resources, identification and approval process (resources/fund allocation, identification process and approval process) modalities of execution and implementation and monitoring.

2. (a) Composition of CSR Committee for FY 2023-24 and upto 18.05.2024:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vikram Shah	Chairman, Non-Executive Independent Director	1	1
2	Mr. Naresh Kumar Chawla	Member, Non-Executive Independent Director	1	1
3	Mr. Sudhir Kumar Munjal	Member, Chairman & Managing Director	1	1
4	Mrs. Anju Munjal	Member, Whole Time Director	1	1
5	Mr. Anuj Munjal	Member, Whole Time Director	1	1

(b) Composition of CSR Committee w.e.f. 19.05.2024:

Sl.	Name of Director	Designation / Nature of Directorship
1	Mr. Sameer Subash Khera	Chairman, Non-Executive Independent Director
2	Mr. Sudhir Kumar Munjal	Member, Chairman & Managing Director
3	Mrs. Anju Munjal	Member, Whole Time Director
4	Mr. Anuj Munjal	Member, Whole Time Director

3. Web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company:

- The composition of the CSR committee is available on our website at https://munjalauto.com/composition-of-committees/
- The CSR Policy of the Company is available on our website at https://munjalauto.com/finance/key-policies/
- The details of CSR projects are available on our website at: https://munjalauto.com/

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) **- Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2020-21	2.42 lakhs	2.42 lakhs
2	2021-22	5.54 lakhs	5.54 lakhs
3	2022-23	14.26 lakhs	14.26 lakhs
	Total	**22.22 lakhs**	**22.22 lakhs**

6. Average net profit of the company as per section 135(5): **₹ 37.21 Crores**

7. (a) Two percent of average net profit of the company as per section 135(5): **₹ 74.42 Lakhs**

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 74.42 Lakhs**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in ₹ Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
77.00	Nil	N.A.	N.A.	Nil	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year: **N/A**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes /No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation-Direct (Yes/No)	(11) Mode of Implementation-Through Implementing Agency	
				State	District						Name	CSR Registration number
-		-	-	-		-	-	-	-	-	-	-
Total		-	-	-		-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation-Direct (Yes/No)	(8) Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Education and Health care	Special Education, medical intervention including preventive health care in Disability/ Social Sector	Yes	Gujarat,	Vadodara	12,00,000	No	Disha Charitable Trust	CSR00004073
2.	Mahatma Satyanandji Munjal Alopathic, Ayurvedic, Homeopathic Clinic	Preventive Healthcare	Yes	Gujarat,	Sabarkantha	65,00,000	No	Vanprastha Saadhak Ashram	CSR00006987
	Total					**77,00,000**			

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **N/A**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 77 lakhs**

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

Sl. No.	Particular	Amount (in ₹ Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	74.42
(ii)	Total amount spent for the Financial Year	77.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**2.58**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any [Excess spending in the year 2020-21, 2021-22 & 2022-23]	22.22
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**24.80***

*Amount available for set off in succeeding financial years is ₹ 2.58 lakhs of FY 2023-24, ₹ 14.26 lakhs of FY 2022-23, ₹ 5.54 lakhs of FY 2021-22 and ₹ 2.42 lakhs of FY 2020-21. Therefore, total amount available for set off in succeeding financial years is ₹ 24.80 lakhs.

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹ Lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2022-23	-	-	-	-	-	-
2.	2021-22	-	-	-	-	-	-
3.	2020-21	-	-	-	-	-	-
	Total	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**N/A**

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed / Ongoing
-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

(a) Date of creation or acquisition of the capital asset(s).: **N/A**

(b) Amount of CSR spent for creation or acquisition of capital asset.:**N/A**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:**N/A**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).: **N/A**

No capital asset was created / acquired during FY 2023-24 through CSR spend.

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

For and on behalf of the Board of Directors
Munjal Auto Industries Limited

Place : Gurugram
Date : May 24, 2024

Mr. Sudhir Kumar Munjal
Chairman & Managing Director
DIN: 00084080

Mr. Sameer Subash Khera
Chairman-CSR Committee
DIN : 0000009317

ANNEXURE 'B' TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,
The Members,
Munjal Auto Industries Ltd,
187, GIDC Industrial Estate
Waghodia
Dist: Baroda-391760

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon. Based on our verificationof the MUNJAL AUTO INDUSTRIES LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.]

  c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018]

  d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Presently: The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

  e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Repealed)[Presently: Securities and Exchange Board of India(Issue and Listing of Non-Convertible Securities) Regulations, 2021]

  f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021]

  h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Presently: The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]

(vi) Having regard to the products, processes and locations of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof **on test check basis, we further report that** the Company has compliance management system for the sector specific laws specifically applicable to the Company as informed to us by the Company as follows:

(a) The Environment (Protection) Act, 1986

(b) The Air (Prevention and Control of Pollution) Act, 1981

(c) The Water (Prevention and Control of Pollution) Act, 1974

(d) The Hazardous Wastes (Management and Handling and Transboundary Movement) Rules, 1989

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd [including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR')

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period, the Company has:

(a) not issued any securities during the period under review and accordingly

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
- The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021]
- The securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

were not applicable during the audit period under review.

(b) neither got delisted Equity Shares nor bought back any security of the Company and accordingly

- Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021] and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

were not applicable during the audit period.

(c) The members of the Company at their 38th AGM held on 2nd September, 2023 declared final dividend for the year 2022-23 at the rate of Rs. 2/- per equity share of Rs. 2/- each i.e., 100%

(d) The members of the Company at their 38th Annual General Meeting held on 2nd September, 2023 approved reappointment of Mr. Sudhir Kumar Munjal (DIN: 00084080) as a Managing Director of the Company with effect from 29th October, 2023 for the period of 5 years by way of Special Resolution.

For Devesh Pathak & Associates
Practising Company Secretaries

Date : May 24, 2024
Place : Vadodara

CS Devesh A. Pathak
Sole Proprietor
FCS: 4559
CP No. 2306
PR: 1412/2021 dated 21st December, 2021
UDIN : F004559F000445120

Note: This report is to be read with our letter of even date which is enclosed as forming integral part of this report.

May 24, 2024

To,
The Members,
Munjal Auto Industries Limited
187, GIDC Industrial Estate
Waghodia
Vadodara-391760

Ref: Secretarial Audit Report dated 24th May, 2024 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and the practices we followed provided reasonable basis for our opinion.
3. We have not received an Independent Auditor's Report and Audited Financial Statement for the financial year ended on 31st March, 2024 and accordingly, we have relied upon the Unaudited Financial Statement and Management Representation provided by the Company on the matter.
4. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Draft Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Pathak & Associates
Practising Company Secretaries

Date : May 24, 2024
Place : Vadodara

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ANNEXURE 'C' TO THE BOARD'S REPORT

Details pertaining to remuneration as required 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

<table>
<tr><th>S.N.</th><th colspan="6">Particulars</th></tr>
<tr><td rowspan="4">i.</td><td rowspan="4">The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year</td><td colspan="3">Executive Directors</td><td colspan="2" rowspan="4"></td></tr>
<tr><td>CMD</td><td>WTD</td><td>WTD</td></tr>
<tr><td>137</td><td>120</td><td>120</td></tr>
<tr><td>X</td><td>X</td><td>X</td></tr>
<tr><td rowspan="3">ii.</td><td rowspan="3">The % increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manger, if any of the Financial Year</td><td colspan="3">Executive Directors</td><td colspan="2">KMPs</td></tr>
<tr><td>CMD</td><td>WTD</td><td>WTD</td><td>CFO</td><td>CS</td></tr>
<tr><td>-</td><td>-</td><td>-</td><td>8%</td><td>10%</td></tr>
<tr><td>iii.</td><td>The % increase in the median remuneration of employees in the financial year</td><td colspan="5">5.43%</td></tr>
<tr><td>iv.</td><td>The number of permanent employees on the rolls of Company</td><td colspan="5">852</td></tr>
<tr><td rowspan="4">v.</td><td rowspan="4">Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</td><td colspan="5"></td></tr>
<tr><td colspan="2">% Increase in</td><td>2023-24</td><td colspan="2">Justification/ Remarks</td></tr>
<tr><td colspan="2">Salaries of Employees</td><td>6.42%</td><td colspan="2">-</td></tr>
<tr><td colspan="2">Managerial Remuneration</td><td>0.00%</td><td colspan="2">-</td></tr>
<tr><td>vi.</td><td>Affirmation that the remuneration is as per the remuneration policy of the Company.</td><td colspan="5">Remuneration is as per the remuneration policy of the company.</td></tr>
</table>

MANAGEMENT DISCUSSION & ANALYSIS

OUTLOOK

(i) Global Economy Overview

According to data from the International Monetary Fund (IMF), in CY23, Advanced Economies (the US, Euro Area, Japan, and more) further slowed down and grew by 1.6% as compared to 2.7% for CY22. The Euro Area was particularly impacted, with growth plummeting from 3.5% in CY22 to 0.4% in CY23, while the US economy saw a resurgence, posting a growth of 2.5% compared to 2.1% in CY22. The traditional global growth engines, Emerging Markets and Developing Economies (EMDEs), collectively clocked a growth of 4.3% in CY23 as against a 4.5% growth in CY22. India and China led the growth, expanding by 7.8% and 5.2%, respectively. Overall, the global economy witnessed a growth of 3.2% for CY23 as opposed to 3.4% for CY22.

The Global economy is facing significant geopolitical challenges. The conflicts in Ukraine and Israel have formed a cloud of fear and uncertainties. The goods supply-chain disruptions due to trade route blockages, owing to the wars, has had inflationary impact on economies. Growingly, every country is caring for its people first. Providing more employment, hence reducing imports. Making immigration laws tougher, increasing duties to protect its industries.

The growth figures along with the Geopolitical movements are signaling a paradigm shift in the world economies. These changes pose both, challenges and threats for countries. India stands to gain from them.

(ii) Indian Economy Overview

The India Decade' is the new term coined by experts. It implies that the opportunities for India over the next decade or so are phenomenal. The factors contributing to this are, its unique demographic and economic progress, The shift in the world order, and the continuing China plus one strategy which benefits India.

Our economic performance in FY 2023-24 demonstrated remarkable resilience and growth momentum, with the GDP expanding by a robust 8.2%, surpassing the 7.2% growth of the previous fiscal year. The standout performer was the construction sector, with a double-digit growth of 10.7%, indicating significant infrastructural development and investment activities. The manufacturing sector also contributed significantly, registering a commendable 8.5% growth rate.

(iii) The Auto Industry

Amid a robust economic expansion of 7.6%, the Indian Automobile industry exhibited a commendable performance, witnessing a domestic industry growth of 12.5% during the last fiscal year. Data from the Society for Indian Automobile Manufacturers (SIAM) reveals that total vehicle sales, encompassing all categories, touched 23.8 million units, up from 21.2 million units in the previous fiscal year.

That said, the industry is witnessing disruptions. The renewed focus on electric vehicles over the past few years has removed the gravity. Everything is afloat and anything is possible once the dust settles. We are now talking about different kinds of powertrains, IC engines, Hybrids, EVs, CNG, Methane, Hydrogen, to count a few. Each has its own pros and cons and are in different stages of development. The future is going to be a mix of all of these, but how much of which will only be clear as time progresses.

(iv) Your Company

The Indian 2W industry has continued its progress and is inching closer to the pre-pandemic level with back-to-back double-digit growth. This progress has come with newer trends. First, the progress of electrification of vehicles is no longer seen as an existential threat to the IC engine. It is becoming more evident that it will coexist as another category of vehicles. Second the industry is progressing towards higher cc value added products.

Both these trends are positive for your company as the primary business continues to grow stronger.

Munjal Auto is also expanding its presence in other sectors of the industry. On the one hand we are expanding our presence across customers in both the two wheeler and four wheeler segments. On the other hand, we are getting into newer areas of lightweighting.

For this the company has tied up with IIT Delhi for conducting R&D on newer products.

COMPANY'S FINANCIAL PERFORMANCE

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these Ind ASfinancial statements that give a true and fair view of thefinancial position, financial performance including othercomprehensive income, cash flows and changes in equityof the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Actread with the Companies (Indian Accounting Standards)Rules, 2015, as amended, and other accounting principlesgenerally accepted in India. The financials have beenprepared considering the above requirements of applicablelaws.

During FY 2023-24, total income of the Company was ₹ 1,360 Crores as compared to ₹ 1,595 Crores in FY 2022-23, showing drop of about 14.73%.

Profit before tax and Profit after tax were ₹ 62.23 Crores and ₹ 39.47 Crores respectively for the FY 2023-24 as against ₹ 92.30 Crores and ₹ 65.73 Crores respectively in in FY 2022-23 which can be mainly attributed to exceptional item by way of sale of surplus Land.

(i) Key Financial Ratios

As required under Regulation 34 of the Listing Regulations, details of changes are:

Particulars	FY 2023-24	FY 2022-23	Change (in %)	Remarks - 2023-24
Debtors turnover ratio-times	5.96	6.98	-14.60%	The ratios in the current year have reduced compared to the previous year, mainly on account of change in credit period.
Inventory turnover ratio - times	24.12	31.77	-24.10%	The ratios in the current year have reduced compared to the previous year, because of increase in average inventory level in comparison to cost of goods sold.
Current ratio - times	1.81	1.50	21.13%	Overall the trade receivables and trade payable of the Company hasdecreased owing to input material cost.
Debt equity ratio	0.04	0.08	-54.64%	Debt equity ratio has improved due to repayment of debt
Net Profit margin (%)	2.98	4.16	-28.19%	The ratios in the current year have reduced compared to the previous yearDue to exceptional profit in previous year

DEVELOPMENTS AT OUR SUBSIDIARY

In the Financial year 2018-19 your Company took majority stake in Indutch Composite Technologies Private Limited. The purpose of this acquisition was twofold, first, to diversify the risks in the present business. Second, to enter an area of huge market potential. India is just starting to realize the benefits of the use of composites as a material and in the coming years, its use across sectors will increase. Today the company is the leader in the country for windmill blades and tools.

In the past five years the company has quadrupled its turnover to reach 564 Crore rupees. Gujarat unit is poised for substantial growth with plans to double production capacity in the upcoming financial year to meet strong order demand. The business sector offers significant growth potential.

HUMAN RESOURSE DEVELOPMENT

The Company has always considered its employees an important stakeholder for its success raising employees' involvement in the decision making process and grooming them for leadership positions has been an ongoing process.

Our focusis on talent development, ensuring continuous learning andgrowth opportunities for employees. We value our peopleas key drivers of success, invest in their development andoverall satisfaction, encourage innovation and collaboration,and recognize and reward outstanding contributions. Ourpeople initiatives align with our commitment to sustainability,the promotion of green practices, and responsible corporatecitizenship.At MAIL, we haveinclusive workplace culturewhere the employees can learn, develop, and achieve their full potential.

By focusing on new talent infusion through internal talent development initiatives, the Company is embracing multi-generational diversity in its recruitment process. Leveraging this distinctive strength, it aims to knowledge enhancing and skill upgradation mechanisms drive innovation and success -

Culture, Learning and Development

Your company maintains a steadfast commitment to fostering a learning organisation through initiatives of Training programmes, an emphasis on internal partnerships with experts. This entails nurturing an innovative mindset among employees and providing opportunities for continuous growth and skill development.

India's rich cultural and scientific heritage spans thousands of yearsthat it is a process towards human liberation and well-being to know oneself better, to awaken inner consciousness, and to gain a deeper understanding of the interconnected nature of all things. We initiate the programme of "havan pooja" regularly and try to connect eternal energy of employees with supreme energy of God to ensure their personal and professional advancement.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have a robust internal control system corresponding to our size and operating structure. The Internal Control System is integrated with our financial and operating systems which directs in a more effective manner. Your Company has deployed an Enterprise Resource Planning ("ERP") system based on SAP platform enabling a high degree of system-based checks and controls ensuring protection of its assets and interests. The governance risk and compliance framework further ensure that internal controls are effective and complied with.

Your Company has appointed reputed firm of Chartered Accountants for internal audit functions consisting of experienced and professionally qualified team.

The audit findings and management's resolution plans are reported on a quarterly basis to the Audit Committee by the internal auditor. The internal auditor of your Company also reports to the Audit Committee in respect of adequacy of internal control systems and weaknesses, if any. Most importantly, the senior management sets the tone at the top for no tolerance for non-compliance and promotes a culture of continuous innovation and improvement. Management supports independent and objective internal auditing and the implementation of internal audit recommendations.

Furthermore, the statutory auditor reports on the adequacy and effectiveness of the internal financial controls in respect of financial reporting.

importer. Consolidation in the distribution landscape is likely as independent dealers are disappearing, wholesalers and company-owned networks are growing.

In a rapidly rising raw material cost scenario, the Company may be unable to pass on cost escalations to consumers in India in a timely fashion due to intense competition and

RISK AND CONCERNS

The risk management function at Munjal Auto takes into account threats from external and internal sourcesto design and mitigate a diverse set of strategic,operational, regulatory, and technology-related risks. Therisk identification, analysis, mitigation, and monitoring isundertaken periodically by the Management Team.

Senior management team members are actively involvedto ensure the consistency of the overall process. Risk, which is the manifestation of business uncertainty affecting corporate performance and prospects, is an integral part of business. The Company follows a well-defined and exhaustive risk management process, which is integrated with its operations. This enables the Company to identify, categorise and prioritise operational, financial and strategic business risks. To address the identified risks, the Company continues to spend significant time, effort and human resources to manage and mitigate such risks.

The Company has a well-established risk management policy and procedures based on which risks are identified and assessed across its business units and operations. To manage and mitigate the risks, mitigation plans are embedded in the various initiatives that the management has already executed. These plans are reviewed by the Risk Management Committee of the Company. For better mitigation of Risk, the Company has made a Risk Management Committee. The Committee reviews the concerned risks. The Company reviews the effectiveness of the mitigation strategies and their implementation process.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the markets, exchange rate variations, global economic, social & demographic factors, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

For and on behalf of the Board of Directors
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN : 00084080

Date : May 24, 2024
Place : Gurugram

ANNEXURE 'E' TO THE BOARD'S REPORT

Conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo
[Particulars pursuant to the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

Your Company is committed to sustainable business practices by contributing to environment protection and considers energy conservation as one of the strong pillars of preserving natural resources. Your Company has taken various initiatives as listed below, for energy conservation and preserving natural resources:

- Programs for improving energy, efficiency and energy productivity across all operations;
- Rainwater harvesting, reduce usage, reuse and recycle water;
- Domestic sewage treatment and recycling facilities are a part of design in all its units towards becoming zero water discharge;
- Creating awareness and promote sustainability amongst stakeholders.

The Management is pursuing energy conservation with considerable focus and commitment. Effective use of energy, particularly in the hard core manufacturing processes of the Company. Optimal utilization of various energy resources like power, fuel and oil is ensured by ongoing measures/steps that improve power factor and other consumption.

B. Technical Absorption

Since, the Company has not imported technology; the Company has no information to offer in respect of Technology Absorption.

C. Foreign Exchange Earnings and outgo

Foreign Exchange earnings and outgo during the year under review are as follows:

(Amount ₹ in Lakhs)

		2023-24	2022-23
(a)	Foreign Exchange Earnings	-	69.32
(b)	Foreign Exchange Outgo	3.63	34.69

ANNEXURE 'F' TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To,
The Members,
INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED
Plot No. (187/P &187/P/1/)/B/1,
GIDC Industrial Estate,
Waghodia
Vadodara, Gujarat-391760

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification of the **INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED**'s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.]

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018]

   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Presently: The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Repealed) [Presently: Securities and Exchange Board of India(Issue and Listing of Non-Convertible Securities) Regulations, 2021]

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Presently:The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021]

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Presently: The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]

(vi) Having regard to the products, processes and locations of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof **on test check basis, we further report that** the Company has compliance management system for the sector specific laws specifically applicable to the Company as informed to us by the Company as follows:

(a) The Environment (Protection) Act, 1986

(b) The Air (Prevention and Control of Pollution) Act, 1981

(c) The Water (Prevention and Control of Pollution) Act, 1974

(d) The Hazardous Wastes (Management and Handling and Transboundary Movement) Rules, 1989

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreement entered into by the Company with the Stock Exchanges, if applicable. [Including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period, the Company has:

(a) The Company being unlisted-

  i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

  iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

  iv. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021

  v. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

  vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

  viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

  were not applicable during the audit period.

(b) The Company is subsidiary of Munjal Auto Industries Limited within the meaning of the Act and material subsidiary within the meaning of LODR.

For **Devesh Pathak & Associates**
Practising Company Secretaries

CS Devesh A. Pathak
Sole Proprietor
FCS No.4559 CP No.: 2306
UDIN: **F004559F000422394**

Date : 22nd May, 2024
Place : Vadodara

Note: This report is to be read with our letter of even date which is enclosed as forming integral part of this report.

22nd May, 2024

To,
The Members,
INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED
Plot No. (187/P &187/P/1/)/B/1,
GIDC Industrial Estate,
Waghodia
Vadodara, Gujarat-391760

Ref: Secretarial Audit Report dated 22nd May, 2024 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and the practices we followed provided reasonable basis for our opinion.
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4. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Pathak & Associates
Practising Company Secretaries

CS Devesh A. Pathak
Proprietor
FCS No.4559
CP No.:2306

CORPORATE GOVERNANCE REPORT

(1) Company's philosophy on Corporate Governance

The Company strongly believes that having a robust governance structure is the stepping stone for every milestone ahead. The Company further asserts that good Corporate Governance fosters long-term corporate goals and enhances stakeholders' value. The Company has alwaysbeen committed to the Code of Conduct ('CoC') that enunciates and imbibes principles, values and ideals guiding and governing the conduct of the Company as well as its employees in all matters relating to business. The Company's overall governance framework, systems and processes reflect and support its Mission, Vision and Values and also guide the Company on its journey towards continued success.

The Company's business strategies are guided by its philosophy on Corporate Governance which ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and society at large.

Pursuant to Regulation 26(5) of the SEBI Listing Regulations, all members of senior management have confirmed that there are no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI Listing Regulations, all the Board members and seniormanagement of the Company as on March 31, 2024, have affirmed compliance with their respective Codes of Conduct. The Company is in full compliance with the requirements of Corporate Governance under the SEBI Listing Regulations.

(2) Board of Directors

The Company has an active, experienced, diverse and awell-informed Board. The Board along with its Committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Company has an optimum combination of Executive and Non-Executive Directors which is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Act. The Board periodically evaluates the need for change in its composition and size.

In terms of Regulation 17 of the SEBI Listing Regulations,at least 50% of the Board should comprise of Non-Executive Independent Directors with at least one-Woman Director.Out of total 10 Directors as on March 31, 2024, the Board is constituted with 7 Independent Directors i.e.70% of the Board. The Company has 2 Women Directors on the Board as of the said date one of them holding her office as Executive Director and the another one as Independent Director.

The Chairman & Managing Director and two Whole Time Directors are the Executive Directors of the Company looking after the day-to-day management of your Company, belonging to the Company's promoter group. The remaining Non-Executive Directors comprising of seven Independent Directors, possess requisite qualifications and experience in general corporate management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration (sitting fees) that Directors would be entitled to under the Companies Act, 2013 ('the Act') as Non-Executive Directors, none of these Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiaries and Associates which in their judgement would affect their independence. None of the Directors, other than those belonging to the promoter group of the Company, are inter-se related to each other.

The Senior Management of the Company have made disclosures to the Board confirming that there were no material financial and/or commercial transactions between them and the Company that could have a potential conflict of interest with the Company at large.

a. Composition of the Board

The Board comprises of 10 Directors as on March 31, 2024. The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies are given below. None of the Directorsof the Company is appointed as Director in more than 7 listed entities; further none of the Executive Directors is an Independent Director in more than 3 listed companies and none of Non-Executive Directors is Director in more than 7 listed companies [Regulation 17A of the Listing Regulations]. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees [Regulation 26(1) of the Listing Regulations], across all the listed entities. Detailed Composition of the Board Directors is available on the Company's website at https://munjalauto.com/composition-of-committees/.

Mr. Vikram Chinubhai Shah [DIN 00007914], Mr. Naresh Kumar Chawla [DIN 00007842], Mr. Mahendra Sanghvi [DIN 00084162], Mr. Ramkisan Devidayal [DIN 00238853], Mr. Sudesh Kumar Duggal [DIN 00566943], and Mr. Jal Ratanshaw Patel [DIN 00065021] Non-Executive Independent Directors of the Company have completed their second consecutive term of 5 years each on May 18, 2024 and ceased to be Directors. In accordance with sub-section 11 of section 149 of the Companies Act, 2013, an independent director shall not hold office for more than two consecutive terms of up to five years each.

The Board of Directors at its meeting held on April 18, 2024, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Atul Haribhai Patel [DIN 00009587], Mr. Sameer Subhash Khera [DIN 00009317] and Mr. Sunil Chinubhai Vakil [DIN

02527630] w.e.f., April 18, 2024, as Additional Director(s) to hold office upto next Annual General Meeting and as Non-Executive Independent Director of the Company to hold office for a period of 5 (five) years i.e., upto April 17, 2029, in accordance with Sections 149, 152, 161, Schedule IV and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the SEBI Listing Regulations [including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force] and the Articles of Association of the Company,even if Mr. Atul Haribhai Patel would attain the age of 75 years, not liable to retire by rotation, subject to the approval of the shareholders through Special Resolution. Subseqently shareholders approved their appointment through postal ballot by way of Special Resolution on June 12, 2024

b. Board Procedure

The Company Secretary tracks and monitors the Board and its Committees proceedings to ensure that the terms of reference/charters are adhered to, decisions are properly recorded in the minutes and actions on the decisions aretracked. The terms of reference/charters are amended and updated from time to time in order to keep the functions and role of the Board and its Committees at par withthe changing statutes. Meeting effectiveness is ensured through detailed agenda, circulation of material in advanceand as per statutory timelines, detailed presentations at the Meetings and tracking of action taken reports at every Meeting. Additionally, based on the agenda, Meetings are attended by invitees which bring in the requisite accountability and also provide developmental inputs.

The Board plays a critical role in the strategy development of the Company. To enable the Board to discharge its responsibilities effectively and take informed decisions, the Managing Director apprises the Board on theoverall performance of the Company every quarter including the performance of the subsidiaries.

The Board periodically reviews the strategy, annual business plan, business performance of the Company and its subsidiaries, technology and innovation, quality, customer centricity, capital expenditure budgets and risk management, safety and environment matters. Amongst other things, the Board also reviews the compliance reportsof the laws applicable to the Company, internal financialcontrols and financial reporting systems, minutes of the Board Meetings of the Company's subsidiary companies,adoption of quarterly/half-yearly/annual results, corporate restructuring, transactions pertaining to purchase/disposal of property, minutes of the Meetings of the Audit and other Committees of the Board.

c. Number of Board Meetings, Attendance of Directors at Meetings of the Board and at the Annual General Meeting

During FY 2023-24, the Board met four times viz. on May23, 2023; August 12, 2023; November 11, 2023 & February 14, 2024.

The composition and attendance record of members of the Board is given below:

Name of Directors	Number of Board Meetings held during the year 2023-24		Attendance at last AGM held on September 02, 2023 (Yes/No)	No. of Directorships Held in Listed Companies	No. of Committee Memberships held*	Number of Committee Chairmanships held*
	Held	Attended		(excluding Private, Foreign and Section 8 Companies)		
Executive Directors (Promoters)						
Mr. Sudhir Kumar Munjal	4	4	Yes	1	1	-
Mrs. Anju Munjal	4	4	Yes	1	-	-
Mr. Anuj Munjal	4	4	Yes	1	1	-
Non Executive and Independent Directors						
Mr. Vikram Shah	4	4	Yes	1	1	1
Mr. Naresh Kumar Chawla	4	4	Yes	1	2	1
Mr. Mahendra Sanghvi	4	2	Yes	3	3	1
Mr. Ramkisan Devidayal	4	4	Yes	3	6	4
Mr. Sudesh Kumar Duggal	4	4	Yes	1	2	-
Mr. Jal Ratanshaw Patel	4	4	Yes	1	1	-
Ms. Avi Sabavala	4	4	Yes	2	1	-

* As required by Regulation 26 of the Listing Regulations, this disclosure Includes memberships/chairmanships in all public limited companies', whether listed or not, Audit Committee and Stakeholders' Relationship Committee only.

* Except Executive Directors, no other Directors are related inter se.

Directorship in other Listed Companies:

Sr. No.	Name of Directors	Name of Company(ies)	Category of Directorships
1	Mr. Sudhir Kumar Munjal	-	-
2	Mrs. Anju Munjal	-	-
3	Mr. Anuj Munjal	-	-
4	Mr. Vikram Shah	-	-
5	Mr. Naresh Kumar Chawla	-	-
6	Mr. Sudesh Kumar Duggal	-	-
7	Mr. Mahendra Sanghvi	Integra Engineering India Limited Shaily Engineering Plastics Limited	Non-Executive - Independent Director Executive Director-Chairman
8	Mr. Ramkisan Devidayal	Banco Products (India) Limited 20 Microns Limited	Non-Executive - Independent Director Non-Executive - Independent Director
9	Mr. Jal Ratanshaw Patel	-	-
10	Ms. Avi Sabavala	Neogen Chemicals Limited	Non-Executive - Independent Director

d. List of core skills/expertise/competencies as identified by the Board of Directors of the Company as required in the context of Company's business and sector for it to function effectively and those actually available with the Board

Name of Directors	Mr. Sudhir Kumar Munjal	Mrs. Anju Munjal	Mr. Anuj Munjal	Mr. Vikram Shah	Mr. Naresh Kumar Chawla	Mr. Ramkisan Devidayal	Mr. Mahendra Sanghvi	Mr. Sudesh Kumar Duggal	Mr. Jal Ratanshaw Patel	Ms. Avi Sabavala
Skills/Expertise/Competencies Whether available with the Board or not?										
INDUSTRY KNOWLEDGE/ EXPERIENCE										
Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Industry knowledge	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Understanding of relevant laws, rules, regulation and policy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓		✓		✓			
TECHNICAL SKILLS/ EXPERIENCE										
Accounting and Finance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business Development and Strategy	✓	✓	✓				✓			
Information Technology	✓	✓	✓	✓	✓		✓			
Leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
BEHAVIORAL COMPETENCIES										
Integrity and ethical standards	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mentoring abilities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Interpersonal relations	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

e. Annual Evaluation of the Board, its Committees and Individual Directors

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual Directors was carried out for FY 2023-24.

As part of the evaluation process, the performance of Non-Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated.

f. Director seeking re-appointment

In accordance with the Section 152 of Companies Act, 2013, one-third of the Retiring (Executive Directors) Directors retires by rotation and, if eligible, offers for re-election at the Annual General Meeting of shareholders. Accordingly, Mr. Sudhir Kumar Munjal retires in the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Nomination & Remuneration

Committee ('NRC') as well as the Board have recommended his appointment as director liable to retire by rotation at the 39th Annual General meeting.

g. Compliance Certificate

In terms of Regulation 17(8) of Listing Regulations, Chairman & Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2024 forming part of this Report as Annexure I.

h. Code of Conduct for the Board and Senior Management Personnel

The Company has formulated comprehensive Code of Conduct ('Code') for Board and Senior Management Personnel of the Company which is available on the website of the Company at https://www.munjalauto.com/wp-content/uploads/2018/08/Code-of-Conduct.pdf.

The Company has received affirmations from the Board and Senior Management Personnel confirming their compliance with the said Code for FY 2023-24. An annual declaration signed by the Chairman & Managing Director to this effect forms part of this Report as Annexure II.

i. Familiarisation Programme for Board Members

The Company regularly provides orientation and business overview to its Directors by way of detailed presentations by the various business & functional heads at Board meetings and through other interactive programmes. Such meetings/ programmes include briefings on the culture, values, business model, domestic business of the Company, the roles and responsibilities of Directors and senior executives. Besides these, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in regulatory environment and strategic direction.

The Board members are also provided relevant documents, reports and internal policies to facilitate familiarisation with the Company's procedures and practices, from time to time.

Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website https://munjalauto.com/wp-content/uploads/2022/09/Directors-Familiarization-Programme-FY-2022.pdf for details of the familiarization programme for IDs on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

3. Remuneration to Directors

a. Remuneration Policy

As per the remuneration policy, the remuneration paid to Executive Directors is recommended by the NRC and approved by the Board, subject to subsequent approval by shareholders at the general meeting and such other authorities, as the case may be. The terms and conditions of the employment of Executive Directors are governed by the shareholders' approval taken in that regard, wherein all the details are provided in the explanatory statement. The remuneration is arrived at after considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company.

The remuneration paid to Executive Directors is commensurate to their respective roles and responsibilities. Remuneration paid to Directors, subject to limits prescribed under Part II of Schedule V to the Companies Act, 2013, generally consists of fixed salary, perquisites, allowances and retiral benefits as decided by the NRC and such other benefits in accordance with market practices.

The Non-Executive Directors of the Company are paid sitting fees for attending each meeting of the Board, Committees thereof and any other meetings of the Directors. While deciding the remuneration, various factors such as Director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, etc. are taken into consideration.

Non-Executive Directors do not have any other pecuniary relationship with the Company except as stated above.

b. Remuneration paid/payable to Executive Directors and Sitting Fees paid to Non-Executive Directors for the year ended March 31, 2024

The remuneration paid/payable to the Executive Directors and Non-Executive Directors of the Company during the year ended March 31, 2024 is as follows:

(Amount ₹ In Lakhs)

Sr. No.	Name of Directors	Basic Salary	Perquisites, Allowances & Retirals	Sitting Fee	Total compen-sation
1.	Mr. Sudhir Kumar Munjal	240.00	304.34	-	544.34
2.	Mrs. Anju Munjal	210.00	266.29	-	476.29
3.	Mr. Anuj Munjal	210.00	266.29	-	476.29
4.	Mr. Vikram Shah	-	-	4.94	4.94
5.	Mr. Naresh Kumar Chawla	-	-	5.90	5.90
6.	Mr. Mahendra Sanghvi	-	-	1.40	1.40
7.	Mr. Ramkisan Devidayal	-	-	4.10	4.10
8.	Mr. Sudesh Kumar Duggal	-	-	5.00	5.00
9.	Mr. Jal Ratanshaw Patel	-	-	4.10	4.10
10.	Ms. Avi Sabavala	-	-	2.60	2.60

* Notice period in case of Mr. Sudhir Kumar Munjal, Chairman & Managing Director, Mrs. Anju Munjal and Mr. Anuj Munjal, Whole Time Directors is 180 days.

(4) Risk Management

Your Company has a well-defined risk management framework in place. Further, your Company has established procedures to periodically place before the Board, the risk assessment and minimization procedures being followed by the Company and steps taken by it to mitigate these risks. Moreover, in terms of Regulation 21 of the Listing Regulations, Risk Management Committee also is in place.

(5) Committees of the Board

a. Audit Committee

The Audit Committee's role is to assist the Board inoverseeing the governance function and responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system,risk management system and internal and external audit functions. The Audit Committee functions according to itscharter/terms of reference that defines its composition, authority, responsibilities and reporting functions. The Audit Committee of the Company is constituted in line with Section 177 of the Act and Regulation 18(3) of the Listing Regulations. All members of the Audit Committee are financially literate and have accounting or related financial management expertise as mandated by the Listing Regulations.

The Company's Audit Committee functions under the Chairmanship of Mr. Vikram Shah. Four Audit Committee meetings were held on May 23, 2023; August 12, 2023; November 11, 2023 & February 14, 2024 during F.Y. 2023-24 in due compliance with the stipulated provisions. The composition and attendance record of members of the Audit Committee is given below: -

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2023-24	
			Held	Attended
1.	Mr. Vikram Shah	Chairman	4	4
2.	Mr. Naresh Kumar Chawla	Member	4	4
3.	Mr. Sudhir Kumar Munjal	Member	4	4
4.	Mr. Sudesh Kumar Duggal	Member	4	4
5.	Mr. Jal Ratanshaw Patel	Member	4	4

Mr. Vikram Shah, the Chairman of the Committee is a Chartered Accountant. The role and terms of reference of the Committee covers the matters specified under Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act. Besides having access to all the required information from the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorized to select and establish accounting policies, review reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters.

Company Secretary and Compliance Officer of the Company acts as a Secretary of the Committees.

b. Nomination & Remuneration Committee

The role of the NRC is to oversee the selection of Directors and Senior Management based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management based on the expected performance criteria. The NRC also recommends to the Board the remunerationpayable to Directors and Senior Management of the Company. An annual working plan for the NRC Meetingsis generally agreed by the Members at the beginning of the year.

The Nomination and Remuneration Committee ('NRC') is constituted and functions in accordance with the Section 178 of the Act and Regulation 19 read with Paragraph A of Part D of Schedule II to the Listing Regulations.

One meeting of Nomination & Remuneration Committee was held on May 23, 2023 during F.Y. 2023-24. The composition and attendance record of the Nomination & Remuneration Committee is given below:

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2023-24	
			Held	Attended
1.	Mr. Mahendra Sanghvi	Chairman	1	-
2.	Mr. Vikram Shah	Member	1	1
3.	Mr. Sudhir Kumar Munjal	Member	1	1
4.	Mr. Ramkisan Devidayal	Member	1	1
5.	Mr. Jal Ratanshaw Patel	Member	1	1

The Company does not have any stock option scheme. None of the Directors hold any shares in the Company except Mr. Naresh Kumar Chawla who holds 500 shares & Mrs. Anju Munjal holds 622 shares as on March 31, 2024.

c. Stakeholder's Relationship Committee

This Committee looks into investors' grievances arising out of issues regarding share transfers, dividends, dematerialisation and related matters, evaluating performance and service standards of the Registrar and Share Transfer Agent and takes requisite action(s) to redress the same.

The role and terms of reference of the Committee cover the areas as contemplated under Regulation 20 read with Paragraph B of Part D of Schedule II to the Listing Regulations and Section 178 of the Act, as applicable.

The Stakeholder's Relationship Committee functions under the Chairmanship of Mr. Naresh Kumar Chawla. Four Stakeholders Relationship Committee meetings were held on May23, 2023; August 12, 2023; November 11, 2023& February 14, 2024 during F.Y. 2023-24. The composition and attendance record of members of the Stakeholder's Relationship Committee are given below:

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2023-24	
			Held	Attended
1.	Mr. Naresh Kumar Chawla	Chairman	4	4
2.	Mr. Mahendra Sanghvi	Member	4	2
3.	Mr. Ramkisan Devidayal	Member	4	4
4.	Mr. Anuj Munjal	Member	4	4
5.	Mr. Sudesh Kumar Duggal	Member	4	4

The Company confirms that there were no share transfers lying pending as on date which were received up to March 31, 2024 and all requests for dematerialization and re-materialization of shares as on that date were confirmed into the NSDL / CDSL system within prescribed time.

d. Share Transfer Committee

The role of the Share Transfer Committee (STC) is to attend to the requests pertaining to share transfers, transmissions, name deletions, issue of duplicate share certificates and dematerialization or rematerialization of shares etc. Mr. Vikram Shah is the Chairman and Mr. Sudhir Kumar Munjal is member of the Committee. The meetings of Share Transfer Committee are held every fortnight, if required.

During the reporting financial year, 12 meetings of Share Transfer Committees were held.

e. Corporate Social Responsibility ('CSR') Committee

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The CSR Committee has been entrusted with the specific responsibility of reviewing corporate social responsibility programmes. The scope ofthe CSR Committee also includes approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends.The CSR Policy is displayed on the website of the Company at https://www.munjalauto.com/wp-content/uploads/2018/08/CSR-Policy..pdf.

Disclosures of contents of Corporate Social Responsibility as required under The Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as a separate annexure to the Board's report.

During the year, one meeting was held on May 23, 2023. The composition and attendance record of members of the CSR Committee is given below: -

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2023-24	
			Held	Attended
1.	Mr. Vikram Shah	Chairman	1	1
2.	Mr. Naresh Kumar Chawla	Member	1	1
3.	Mr. Sudhir Kumar Munjal	Member	1	1
4.	Mrs. Anju Munjal	Member	1	1
5.	Mr. Anuj Munjal	Member	1	1

f. Independent Directors Meeting

During the year under review, one (1) Meeting of theIndependent Directors of the Company was held onMarch 23, 2024 as required under Schedule IV to theAct (Code for Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations. At their Meeting, the Independent Directors reviewed the performanceof Non-Independent Directors and the Board as a wholeincluding the Chairman of the Board and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

g. Risk Management Committee ("RMC')

During the year, two meetings were held on November 11, 2023 & February 01, 2024. The composition and attendance record of members of the RMC Committee is given below: -

Sr. No.	Name of Committee Members	Position held	No. of Meetings during FY 2023-24	
			Held	Attended
1.	Mr. Sudhir Kumar Munjal	Chairman	2	2
2.	Mr. Naresh Kumar Chawla	Member	2	2
3.	Mr. Anuj Munjal	Member	2	2

(6) Disclosure

a. Disclosure of transactions with Related Parties

The Company follows the following policy in regard to disclosure of the related party transactions to the Audit Committee:

(i) A statement in the summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.

(ii) All related party transactions are in the ordinary course of business and on arm's length basis.

(iii) During the financial year 2023-24, there were no materially significant transactions entered into between the Company and its Promoter, Directors or the Management, Subsidiary or relatives etc. that might have potential conflict with the interests of the Company at large.

The policy on materiality of related party transactions and on dealing with related party transactions of related party is placed on the website of the Company i.e. www.munjalauto.com.

b. Disclosure of Accounting Treatment in preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015.

c. Code for Prevention of Insider Trading Practices

The Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading for its designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company and cautioning them of the consequences of violations.

d. Whistle Blower Policy:

The Company has a Vigil Mechanism (Whistle Blower policy) already in place and is posted on the Company's website at the following weblink: https://munjalauto.com/finance/key-policies/

e. Disclosure of policy on material subsidiaries

The policy for determining material subsidiaries is available on the Company's website at the following weblink: https://munjalauto.com/finance/key-policies/

f. Fees paid to Statutory Auditors

The details of fees for all services paid by the Company and its subsidiaries (excluding taxes), on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which statutory auditors are part of, are given in the table below:

Sr. No.	Name of the Entity	Relationship with Munjal Auto Industries Limited	Detail of Services	Amount (₹ In Lakhs)
1.	Munjal Auto Industries Ltd.	-	Audit Fess	18.25
2.	Munjal Auto Industries Ltd.	-	Tax Audit Fees	2.75
3.	Munjal Auto Industries Ltd.	-	Certifications	0.40
4.	Munjal Auto Industries Ltd.	-	Other services	8.80
5.	Munjal Auto Industries Ltd.	-	Out of Pocket exps.	0.34
6.	Indutch Composites Technology Pvt. Ltd.	Subsidiary Company	Audit Fees	9.55
7.	Indutch Composites Technology Pvt. Ltd.	Subsidiary Company	Tax Audit Fees	2.05
8.	Indutch Composites Technology Pvt. Ltd.	Subsidiary Company	Other services	5.00

g. General Shareholder's Information

1. Annual General Meeting

Date	September 26, 2024
Day	Thursday
Time	3:00 P.M.
Venue	Pursuant to the MCA General Circular no. 20/2020 dated May 5, 2020; General Circular no. 2/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28,2022 the Company will conduct its AGM through VC/OAVM. Other relevant details have been provided in the notice of AGM.

2. Dates of Book Closure

The dates of book closure shall be from Friday, September 20, 2024 to Thursday, September 26, 2024 (both days inclusive).

3. **Date of Dividend Payment**

The Board has recommended a final dividend @ 100% i.e. Rs. 2 per equity share for the FY 2023-24. The dividend recommended by the Directors for the year ended March 31, 2024, if declared at the ensuing annual general meeting, will be paid by October 25, 2024, to those members, whose names appear in the register of members/depository records as on Thursday, September 19, 2024.

4. **Financial Year of the Company**

Financial year of the Company begins from 1st April every year and ends on 31st March of every subsequent year:

Tentative Financial reporting for the quarter ending	
June 30, 2024	On or before Aug 14, 2024
September 30, 2024	On or before Nov 14, 2024
December 31, 2024	On or before Feb 14, 2025
March 31, 2025	On or before May 30, 2025

5. **Registered Office & Corporate Office**

Registered Office
187, GIDC Industrial Estate,
Waghodia 391 760,
District : Vadodara, Gujarat, India.
Tel: +91 2668 262421-22,
Fax: +91 2668 262427

Corporate Office
Unitech Business Zone, 2nd Floor,
Tower C, Nirvana Country, South City- 2,
Sector-50, Gurugram, Haryana – 122011.
Tel: (0124) 4057891/4057892,
Fax: (0124) 4369506

Email: cs@munjalauto.com; Website: www.munjalauto.com

6. **Listing of Equity Shares on Stock Exchange**

Listing Fees

Listing fees for the financial year 2024-25 has been paid to the Stock Exchanges, wherein the equity shares of the Company are listed (i.e. BSE & NSE) within stipulated time.

Listing on Stock Exchanges

Equity shares of the Company are presently listed on following stock exchanges:

Name of Stock Exchange	Address
BSE Limited (BSE)	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
National Stock Exchange of India Limited (NSE)	'Exchange Plaza', Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

7. **Stock Code**

The Company's stock code on the above stock exchanges are:

BSE Limited (BSE)	520059
National Stock Exchange of India Limited (NSE)	MUNJALAU
The ISIN of the Company is INE 672B01032.	

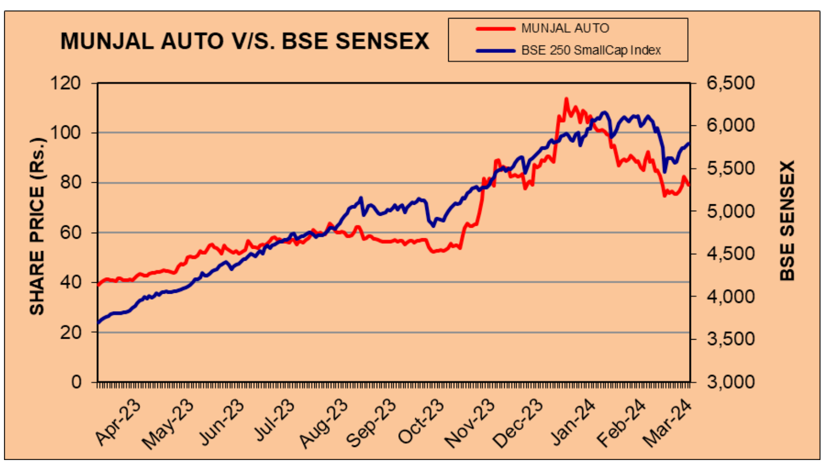
8. **Stock Performance**

Monthly high and low stock quotations and volumes during the financial year 2023-24 on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

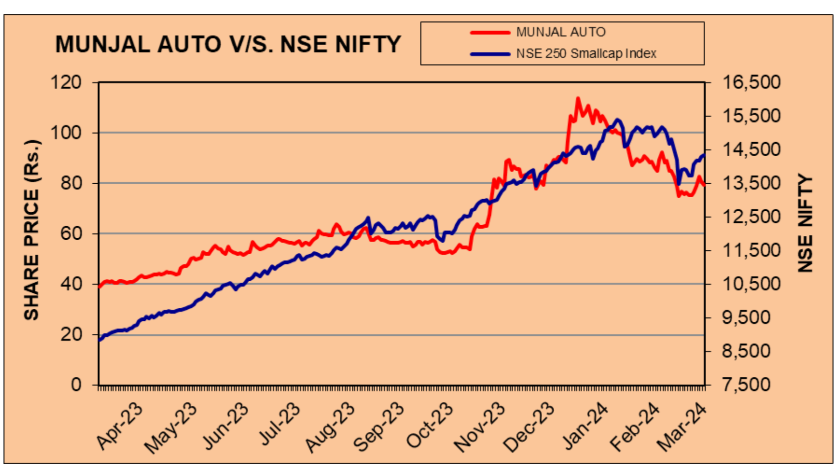
SHARE PRICE DATA (NSE & BSE)

	Bombay Stock Exchange (BSE)			National Stock Exchange (NSE)		
Month	**High (₹)**	**Low (₹)**	**Volume (Nos.)**	**High (₹)**	**Low (₹)**	**Volume (Nos.)**
April, 2023	43.35	37.20	82,325	43.30	36.75	9,03,412
May, 2023	51.80	42.21	3,29,737	51.80	42.50	35,37,240
June, 2023	56.45	48.80	5,76,804	56.50	49.60	62,16,601
July, 2023	59.90	51.87	9,18,456	60.00	52.05	77,94,709
August, 2023	66.00	53.05	8,18,683	66.20	54.30	94,77,532
September, 2023	63.65	55.25	4,85,274	63.70	55.60	52,33,318
October, 2023	62.80	50.65	2,03,133	58.50	50.50	29,21,961
November, 2023	85.58	52.22	23,38,526	85.95	52.10	338,82,087
December, 2023	92.00	75.64	21,25,716	91.95	76.10	162,10,480
January, 2024	115.36	86.60	26,33,783	115.00	86.35	2,01,56,378
February, 2024	107.15	84.10	10,63,520	106.90	84.05	62,26,026
March, 2024	93.00	71.11	3,89,594	93.55	71.15	34,46,028

COMPANY'S SHARE PRICE MOVEMENT V/S BSE 250 SMALLCAP INDEX



COMPANY'S SHARE PRICE MOVEMENT V/S NSE 250 SMALLCAP INDEX



9. **Registrar and Transfer Agent ('RTA')**

All works related to share registry, both in physical form and electronic form, are handled by the Company's RTA, MCS Share Transfer Agent Limited. The communication address of the RTA is given hereunder:

MCS Share Transfer Agent Limited
Address:-1st Floor, Neelam Apartments,
88- Sampatrao Colony, Above Chappanbhog Sweets,
Alkapuri, Vadodara - 390 007 (Gujarat)
Tel.: +91 265 2350490/ 2314757, Fax: +91 265 2341639
E-mail: mcsltdbaroda@gmail.com

10. **Share Transfer System**

All share transfer and other communications regarding share certificates, change of address, transmission, etc. should be addressed to the Company's RTA.

In terms of Regulation 40(1) of the Listing Regulations, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Chief Financial Officer and Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

The total number of shares transmitted during the year 2023-24 was 69,342 shares.

11. **Distribution of Shareholding as of March 31, 2024**

Distribution of Shareholding by number of shares held & Shareholding Pattern in percentage pursuant to Regulation 31(1)(b) of the Listing Regulations as on March 31, 2024 are given below:

No. of Equity Shares held	No. of Shareholders	%	No. of Shares	%
Up to 500	36,980	83.48	49,99,939	5.00
501 – 1000	3,698	8.35	31,27,637	3.13
1001 – 2000	1,788	4.04	28,22,664	2.82
2001 – 3000	744	1.68	19,21,446	1.92
3001 – 4000	263	0.59	9,60,876	0.96
4001 – 5000	306	0.69	14,74,191	1.47
5001 – 10000	308	0.70	23,22,908	2.32
10001 – 50000	187	0.42	36,45,352	3.66
50001 – 100000	13	0.03	9,11,129	0.91
100001 & above	12	0.02	7,78,13,858	77.81
Total	**44,299**	**100**	**10,00,00,000**	**100**

12. Shareholding Pattern as of March 31, 2024

Category		As of December 31, 2023		As of March 31, 2024	
		No. of shares held	% age	No. of shares held	% age
A	Promoter's Holding	7,48,06,450	74.81	7,48,06,450	74.81
	Total Promoter's holding	**7,48,06,450**	**74.81**	**7,48,06,450**	**74.81**
B	**Non-Promoter's holding**				
1.	**Institutional Investors**				
	* Banks / Financial Institutions	8,000	0.01	8,000	0.01
	* Mutual Fund	20,000	0.02	20,000	0.02
	* Foreign Portfolio Investors	17,040	0.02	523	0.00#
	Sub-Total	**45,040**	**0.05**	**28,523**	**0.03**
2.	**Others**				
	* Private Corporate Bodies	11,15,485	1.12	12,94,324	1.29
	* Indian Public	2,10,95,352	21.09	2,10,26,943	21.03
	* NRIs / OCBs	9,49,649	0.95	9,59,604	0.96
	* Trust	2,000	0.00#	3,000	0.00#
	* H.U. F	9,83,266	0.98	8,80,398	0.88
	* IEPF	10,02,758	1.00	10,00,758	1.00
	Sub-Total	**2,51,48,510**	**25.14**	**2,51,65,027**	**25.16**
	Total Non-Promoter holding	**2,51,93,550**	**25.19**	**2,51,93,550**	**25.19**
	Grand Total	**10,00,00,000**	**100.00**	**10,00,00,000**	**100.00**

*Negligible

13. Category of Share Holding as on March 31, 2024

Sr. No.	Category	No. of Shareholders	% of Total Shareholders	Total Shares	% to Equity
1.	Physical	800	2.24	10,24,660	1.02
2.	NSDL	18,207	42.55	8,83,96,473	88.4
3.	CDSL	25,292	55.21	1,05,78,867	10.58
	TOTAL	**44,299**	**100.00**	**10,00,00,000**	**100.00**

14. Outstanding GDRs/ADRs/Warrant or any Convertible Instruments, Conversion date and likely impact on equity

Not applicable

15. Plant Locations

Regd. Office & Unit I
187, GIDC Industrial Estate,
Waghodia-391 760
Dist. Vadodara, Gujarat,
Tel: +91 2668 262421/22
Fax: +91 2668 262427

Unit II
Plot No.37,Sector 5
Phase II, Growth Centre
Bawal-123 501
Dist. Rewari, State : Haryana
Tel: (01284) 264435/36
Fax: (01284) 264434

Unit III
Plot No.11, Industrial Park -2
Village :Salempur, Mehdood
Haridwar-249 402
Dist. Haridwar, Uttarakhand
Tel:(01334)235530/32
Fax: +91 (1334) 235533

Unit IV
Plot No.32A,
Industrial Area,
Phase II, Dharuhera-122106
Dist. Haryana, State : Haryana
Tel:(01274)243010/11/12/13/14

16. **Address for Correspondence**

For queries relating to

Shares and Dividend	**Financial Statements**
Ms. Gauri Y. Bapat	Mr. Brham Prakash Yadav
Company Secretary	Chief Financial Officer
Munjal Auto Industries Limited,	Munjal Auto Industries Limited
187, GIDC Industrial Estate, Waghodia 391 760.	Unitech Business Zone, 2nd Floor, Tower C, Nirvana Country,
Dist. Vadodara (Gujarat)	South City-2, Sector-50, Gurugram-122018
Tel: +91 2668 262421-22 Fax: +91 2668 262427	Tel: (0124)4057891/92 Fax: (0124) 4369506
E-mail: cs@munjalauto.com	E-mail: brhamprakash@munjalauto.com

17. **Credit Rating**

ICRA, the rating agency has reaffirmed AA- with stable outlook for the long-term ratings for bank facilities and A1+ the short-term rating for short term bank facilities and commercial paper of your Company vide letter dated July 18, 2023. The aforesaid rating is valid till June 30, 2024.

18. **Particulars of loans/advances, etc. pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Loans and advances in nature of loans to Subsidiary: (Net of Provisions)

(Rs. in Crore)

Name of the Company	Balance as on March 31, 2024	Maximum outstanding during the year
Indutch Composites Technology Private Limited #	5.00	6.50

#Mr. Sudhir Kumar Munjal, Mrs. Anju Munjal and Mr. Anuj Munjal (Directors of the Company)are also Directors of Indutch Composites Technology Pvt. Ltd. but they do not have any other concerns or interests.

Details of Material Subsidiaries of the Listed Entity, including the date and place of Incorporation and the Name and Date of Appointment of Statutory Auditors of such Subsidiary

Name of Subsidiary	Date and Place of incorporation	Name of Statutory Auditors	Date of Appointment
Indutch Composites Technology Private Limited	May 22, 2010, Vadodara	VCA & Associates	September 28, 2010

19. **Other Disclosures**

a. **Details of Annual General Meetings and Summary of Special Resolutions passed**

Financial year (ended)	Date	Time	Venue	Summary of Special Resolution(s) passed for
March 31, 2023	September 02, 2023	11:00 a.m.	The meeting was convened through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	Special Resolution pertaining to:Re-appointment of Mr. Sudhir Kumar Munjal, CMD forterm of five years commencing from October 29, 2023, to October 28, 2028.
March 31, 2022	September 16, 2022	11:00 a.m.	The meeting was convened through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	Special Resolution pertaining to: Revision in remuneration of Mr. Sudhir Kumar Munjal, CMD, Mrs. Anju Munjal and Mr. Anuj Munjal, WTD(s).
March 31, 2021	September 14, 2021	3:00 p.m.	The meeting was convened through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”)	No special resolution was passed at the meeting

b. Resolution passed through circulation

During the year ended March 31, 2024, no resolution was passed by circulation. Hence, disclosure under this section is not applicable.

c. Details of non compliance etc.

There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the stock exchanges or SEBI or any other authorities, on any matter relating to capital market during the last three years.

d. Means of Communication

The Company has been regularly uploading on online platform of Stock Exchanges within 30 minutes of closure of the Board Meeting, Annual Audited as well as quarterly un-audited results to both the Stock Exchanges, BSE & NSE, after they are approved by the Board of Directors. All information is submitted to NEAPS and BSE Listing Centre.

Quarterly, half-yearly and annual results are published in prominent daily newspapers such as the Business Standard & local newspaper i.e. Loksatta - Jansatta. The Company also informs Stock Exchanges in a prompt manner, all price sensitive information or such other matters, which in its opinion are material & relevant for the shareholders and subsequently issues a press release on the said matters.

The Company's website www.munjalauto.com contains information on the Company and its performance. Presentations to analysts, as and when made, are immediately posted on the website for the benefit of the shareholders and the public at large.

NSE Electronic Application Processing System ('NEAPS')

NEAPS is a web-based application designed by the National Stock Exchange of India Ltd. (NSE) for corporate filings. All periodical compliance related filings, like shareholding pattern, corporate governance report, media releases and corporate actions are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre ('Listing Centre')

The Listing Centre of BSE Ltd., is a web-based application designed for corporate filings. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on the Listing Centre.

e. Compliance with Mandatory requirements

No penalties have been imposed or strictures passed against the Company by the stock exchanges, the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.

Securities of the Company have not been suspended for trading at any point of time during the year and the Company has duly complied with Corporate Governance requirements as specified under Regulation 17 to 27, Regulation 46 (2) clause(b) to (i) and para C, D and E of Schedule V of the Listing Regulations.

f. Postal Ballot

During the year ended March 31, 2024, no resolution was passed by postal ballot. Hence, disclosure under this section is not applicable.

ANNEXURE – I OF CORPORATE GOVERNANCE REPORT

COMPLIANCE CERTIFICATE

To,
The Board of Directors,
Munjal Auto Industries Limited
187, GIDC Industrial Estate, Waghodia
Vadodara, Gujarat- 391760

Sub: Compliance Certificate in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

A. This is to certify that we have reviewed the financial statements and cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

   (1) significant changes in internal control over financial reporting during the year, if any;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and

   (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For Munjal Auto Industries Limited

Date : May 18, 2024
Place : Gurugram

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Brham Prakash Yadav
Chief Financial Officer

In compliance with 34(3), read with Schedule V (Part D) of the SEBI (LODR) Regulations, 2015, the Chairman Cum Managing Director shall provide declaration to the Board of Directors as specified in Part D of Schedule V of the said regulations.

The Board is hereby requested to take note of the declaration reproduced below:

ANNEXURE - II OF CORPORATE GOVERNANCE REPORT
DECLARATION BY CHAIRMAN & MANAGING DIRECTOR

[Regulation 34(3), read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Sudhir Kumar Munjal, Chairman & Managing Director of Munjal Auto Industries Limited, hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2023-24.

For Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN: 00084080

Date : May 18, 2024
Place : Gurugram

ANNEXURE - III OF CORPORATE GOVERNANCE REPORT
INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
MUNJAL AUTO INDUSTRIES LIMITED
187,GIDC Industrial Estate, Waghodia
Dist. Vadodara, Gujarat-391760

We have examined the compliance of conditions of Corporate Governance of **Munjal Auto Industries Limited** ("the Company") for the year ended March 31, 2024, as stipulated in Regulation 15 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of conditions of Corporate Governance is responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records as aforesaid and the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 and other relevant regulations of the Listing Regulations above, during the year ended March 31, 2024 as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Devesh Pathak & Associates
Practising Company Secretaries
Devesh A. Pathak
Sole Proprietor
Membership No.: FCS 4559
CoP No. : 2306 PR: 1412/2021
Firm Regn. No.: S2018GJ621500
UDIN:F004559F000445219

Place : Vadodara
Date : May 24, 2024

ANNEXURE – IV OF CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Munjal Auto Industries Limited
187, GIDC Industrial Estate,
Waghodia Dist.
Vadodara - 391760

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Munjal Auto Industries Limited** having CIN **L34100GJ1985PLC007958** and having registered office at 187 GIDC Estate Waghodia Distt Baroda, Gujarat 391760, (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Naresh Kumar Chawla	00007842	30/08/2001
2.	Mrs. Anju Sudhir Munjal	00007867	30/09/1999
3.	Mr. Vikram Chinubhai Shah	00007914	02/09/1996
4.	Mr. Jal Ratanshaw Patel	00065021	30/03/2009
5.	Mr. Sudhir Kumar Munjal	00084080	01/08/1991
6.	Mr. Mahendra Bhogilal Sanghvi	00084162	30/08/2001
7.	Mr. Ramkisan Amirchand Devidayal	00238853	26/07/2008
8.	Mr. Sudesh Kumar Duggal	00566943	25/10/2008
9.	Mr. Anuj Munjal	02714266	01/06/2010
10.	Ms. Avi Sabavala	08246256	01/04/2020

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

For Devesh Pathak & Associates
Practising Company Secretaries
Devesh A. Pathak
Sole Proprietor
Membership No.: FCS 4559
CoP No. : 2306 PR: 1412/2021
Firm Regn. No.: S2018GJ621500
UDIN:F004559F000445164

Place : Vadodara
Date : May 24, 2024

INDEPENDENT AUDITORS' REPORT

To
THE MEMBERS OF
MUNJAL AUTO INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Munjal Auto Industries Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31,2024, the Standalone Statement of Profit and Loss including Other Comprehensive Income, theStandalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements including a summary of Material Accounting Policyinformation and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaidStandalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of thestate of affairs of the Company as at March 31, 2024, and its profit including total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statementsin 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 Auditors' Responsibilities for the Audit of theStandalone Financial Statementssection 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
1.	**Recording of price adjustments and their impact on revenue recognition:** Revenue is measured by the Company at the transaction price i.e. amount of consideration received/ receivable from its customers. In determining the transaction price for the sale of products, the Company considers the effects of price adjustments: - to be passed on to the customers, or; - to be recovered from the customers, based on various parameters like negotiations, savings/escalations on/of cost of input materials etc. for the sales made by the Company. The Company computes the impact of such price adjustments to be recovered from/passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors.	<u>**Principal Audit Procedures**</u> Our audit procedures included the following: • Assessed the Company's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115; • Obtained understanding of the revenue process, and the assumptions used by the management in the process of calculation of price adjustments as per customer contracts, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls; • Evaluated management's methodology and assumptions used in the calculations of price adjustments as per customer contracts; • Tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts;

	The estimated liabilities on this account at the year-end is shown as Provisions with its consequentially impacts on revenue (Refer Note 36to the Standalone Financial Statements). We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price adjustments to be recorded as at the year end.	**Conclusion:** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation, and disclosure of the subject matter in Standalone Financial Statements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis,Corporate Governance Report and Shareholder's Information but does not include the Standalone Financial Statements and our auditors' 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directorsis also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether theStandalone Financial Statementsas a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of theseStandalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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.

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 Standalone 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 matters 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 sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone 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 Ind AS specified under Section 133 of the Act;
    e. on the basis of the written representations received from the directors as on March 31,2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2024, from being appointed as a director in terms of Section 164(2) of the Act;
    f. with respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "B";
    g. with respect to the other matters to be included in the Auditors' Report in accordance with the 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 the provisions of section 197 of the Act.
    h. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
        i. the Company has disclosed the impact of pending litigations on its financial position in itsStandalone Financial Statements – refer note 47to the Standalone Financial Statements;
        ii. the Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses as at March 31, 2024;

iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) the management has represented that, to the best of it's knowledge and belief, as disclosed in the note59(c) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) the management has represented, that, to the best of it's knowledge and belief, as disclosed in the note59(c) to the Standalone Financial Statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in the Note 60 to the standalone financial statements,

(a) The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act.

(b) As stated in Note 60 to the Standalone Financial Statements, the Board of Directors of the Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposedis in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recoding audit trail (edit log) facility and the same has operated through the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from the period April 1, 2023 reporting under Rule 11(g) of the Companies Act (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ending March 31, 2024.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No.045027
UDIN: 24045027BKCXHU3597

Place : Vadodara
Date : May 24, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in our Independent Auditors' Report to the members of **Munjal Auto Industries Limited** ("the Company") on the Standalone Financial Statements for the year ended March 31, 2024, 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 including Investment Property, Right of use assets and non-current assets held for sale.

(B) The Company has maintained proper records showing full particulars, including quantitative details of Intangible Assets.

b) The Company has a regular program of physical verification of property, plant and equipment, Investment Property, Right of use assets and non-current assets held for sale which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed in such verification.

c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title of all the immovable properties including lease deeds for the properties where the company is the lessee disclosed in the financial statements are held in the name of the Company.

d) The Company has not revalued its PPE (including Right of Use Assets) or intangible assets or both during the year, and therefore, the reporting under clause 3(i)(d) of the Order is not applicable to the Company.

e) According to the information and explanations 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 thereunder, therefore disclosure in its Standalone Financial Statements is not required.

ii. a) The Inventories, except for goods-in-transit and inventories lying with third parties, have been physically verified by the management during the year and in our opinion, the frequency of verification is reasonable. In our opinion the coverage and the procedure of such verification by the management is appropriate.The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, quarterly statements filed by the Company with such banks are in agreement with the books of account of the Company.The Company has not been sanctioned any working capital limit from the financial institutions.

iii. a) In our opinion and according to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties during the year, except loan were advanced to a subsidiary company during the year, details regarding the same are mentioned below:

Particulars	Loans (in ₹ Lakhs)
Aggregate amount granted during the year:	
- Subsidiary	650.00
Balance outstanding as at balance sheet date in respect of above case:	
- Subsidiary	500.00

b) In our opinion and according to the information and explanations given to us, in respect of the aforesaid loan, the terms and conditions on which it has been granted are not prejudicial to the Company's interest.

c) The Company has granted loan whichis repayable on demand. During the year, the Company has demanded partial loan, which is repaid during the year. The payment of interest has been regular.

d) The loans granted by the company are repayable on demand, and therefore the question of overdue amount does not arise.

e) According to the information and explanations given to us, the loan which was granted during the year was due for payment in the current year, however, such loan was further extended for one year.

Name of the parties	Aggregate amount of overdue of existing loans renewed (₹ in Lakh)	Percentage of the loans to the total loans
Indutch Composites Technology Pvt. Ltd.	500.00	100%

f) According to the information and explanations given to us, the Company has granted the loan which is repayable on demand details of which is given below:

Name of the parties	Aggregate amount of loans repayable on demand (₹ in Lakh)	Percentage of the loans to the total loans
Indutch Composites Technology Pvt. Ltd.	500.00	100%

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of the loans granted, by it.

v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year from the publicand consequently, the directives issued by Reserve Bank of India, the provisions of sections 73 to 76 of the Act and rules framed there under are not applicable to the Company. According to information and explanations provided to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. In our opinion and according to the information and explanations given to us, in view of Rule 3 of the Companies (Cost Records and Audit) Amendments Rules 2014 the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company and therefore, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. a) According to the information and explanations given to us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, goods and services tax, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, goods and services tax, cess and any other statutory dues were in arrears, as at March 31, 2024, for a period of more than six months from the date they become payable.

b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no disputed statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes except the following:

Name of the statute	Nature of disputed dues	Amount ₹ in Lakhs	Period to which the amount relates	Forum where pending
The Gujarat Sales Tax Act, 1969	Sales Tax	26.83	FY 2002-2003	Commissioner of Commercial Tax (Appeals)
The Central Excise Act, 1944	Duty of Excise	58.76	June, 2008 to March, 2009	Commissioner of Customs, Excise and Service Tax (Appeals)
The Income Tax Act, 1961	Income Tax	17.91	AY 2018-19	Income Tax Appellate Tribunal, Ahmedabad Bench
The Income Tax Act, 1961	Income Tax	57.00	AY 2017-18	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	7.17	AY 2020-21	Deputy Commissioner of Income Tax
The Income Tax Act, 1961	Income Tax	65.24	AY 2022-23	Deputy Commissioner of Income Tax

viii. According to the information and explanations given to us, there were no transactions recorded in the books of account relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.

b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lenders.

c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable to the Company.

d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

f) According to the information and explanations given to us and the procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) during the year and reporting under clause 3(x)(a) of the Order is not applicable to the Company.

b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c) As represented to us by the management, there are no whistleblower complaints received by the company during the year, no whistleblower complaints were received by the Company during the year.

xii. The Company is not a Nidhi company and therefore, the reporting under clause (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Standalone Financial Statements as required by the applicable Indian Accounting Standards.

xiv. a) In our opinion and 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) The reports of internal auditors for the period under audit have been considered by us.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non cash transactions with directors or persons connected with directors and therefore, reporting under clause 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a), 3(xvi)(b), 3(xvi)(c) & 3(xvi)(d) is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and therefore, reporting under this clause of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and 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 Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. According to the information and explanations given to us,

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

b) There are no unspent amounts towards Corporate Social Responsibility (CSR) pursuant to any ongoing project, and therefore, reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order 2020 (CARO) reports of the companies included in the consolidated financial statements.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027
UDIN: 24045027BKCXHU3597

Place : Vadodara
Date : May 24, 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Munjal Auto Industries Limited** on the Standalone Financial Statements of even date)

Report on the Internal Financial Controls under Clause(i) of Sub section 3 of Section 143 of theAct.

We have audited the internal financial controls with reference to Standalone Financial Statements of **Munjal Auto Industries Limited** ("the Company") as of March 31, 2024, inconjunction with our audit of the Standalone Financial Statements of the Company for the year ended on thatdate.

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 with reference to Standalone 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Standalone 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

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

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027
UDIN: 24045027BKCXHU3597

Place : Vadodara
Date : May 24, 2024

STANDALONE BALANCE SHEET AS AT MARCH 31, 2024

(Amount ₹ in Lakhs)

Particulars	Note No	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	6	**17,639.14**	17,536.40
(b) Capital work-in-progress	7	**851.17**	817.20
(c) Investment property	8	**2,366.35**	2,454.60
(d) Other intangible assets	9	**93.03**	76.66
(e) Right of use assets	10	**1,061.42**	1,347.76
(f) Financial assets			
(i) Investments	11	**3,001.93**	3,001.93
(ii) Deposits	12	**141.99**	137.79
(g) Other non-current assets	13	**295.34**	276.35
Total Non-Current Assets		**25,450.37**	25,648.69
(2) Current Assets			
(a) Inventories	14	**4,593.80**	4,366.84
(b) Financial assets			
(i) Investments	15	**17,074.55**	10,448.74
(ii) Trade receivables	16	**19,583.07**	34,794.99
(iii) Cash and cash equivalents	17	**534.60**	803.78
(iv) Other Bank Balances	18	**81.55**	73.66
(v) Deposits	19	**500.00**	-
(vi) Other Financial assets	20	**29.39**	26.75
(c) Current tax assets (net)	21	**94.11**	128.00
(d) Other current assets	22	**409.75**	374.78
(e) Non-current assets held for sale	23	**1,164.27**	1,164.27
Total Current Assets		**44,065.09**	52,181.81
Total Assets		**69,515.46**	77,830.50
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	24	**2,000.00**	2,000.00
(b) Other equity	25	**39,018.61**	37,255.82
Total Equity		**41,018.61**	39,255.82
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	26	**684.26**	1,455.15
(ii) Lease liabilities	27	**627.50**	922.53
(iii) Other financial liabilities	28	**83.33**	83.33
(b) Provisions	29	**903.94**	535.52
(c) Deffered Tax Liability	30	**1,897.22**	720.67
Total Non-Current Liabilities		**4,196.25**	3,717.20
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	31	**781.20**	1,636.79
(ii) Lease liabilities	32	**307.11**	271.42
(iii) Trade payables	33		
(A) Total outstanding dues of micro and small enterprises		**302.10**	3,442.05
(B) Total outstanding dues of creditors other than micro and small enterprises		**12,311.49**	19,746.96
(iv) Other financial liabilities	34	**1,347.53**	1,243.89
(b) Other current liabilities	35	**3,017.07**	3,034.24
(d) Provisions	36	**6,234.10**	5,482.14
Total Current Liabilities		**24,300.60**	34,857.48
Total Equity and Liabilities		**69,515.46**	77,830.50
Material accounting policies and notes to standalone financial statements	1-60		

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Vadodara
Date : May 24, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(Amount ₹ in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	37	132,242.27	158,145.56
II	Other income	38	3,734.37	1,358.80
III	**Total income (I+II)**		135,976.64	159,504.36
IV	**EXPENSES**			
	Cost of raw materials consumed	39	107,859.49	134,853.39
	Changes in inventories of finished goods and work-in-progress	40	194.54	(160.57)
	Employee Benefits Expense	41	7,792.01	6,896.56
	Finance Costs	42	327.27	440.30
	Depreciation and amortization expense	43	1,978.39	2,036.92
	Other Expenses	44	11,601.76	10,924.53
	Total expenses (IV)		129,753.46	154,991.13
V	**Profit before Tax & Exceptional Items (III-IV)**		6,223.18	4,513.23
VI	**Exceptional Items**		-	4,716.32
VII	**Profit before Tax (V + VI)**		6,223.18	9,229.55
VIII	**Tax expenses**	45		
	(a) Current tax relating to:			
	- Current year		1,369.42	2,570.32
	- Earlier years		82.98	87.82
	(b) Deferred tax		823.85	(1.44)
IX	**Profit for the year (VII-VIII)**		3,946.93	6,572.85
X	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss			
	- Re-measurement of the defined benefit plans		(283.05)	76.66
	- Income tax relating to above item	45	98.91	(26.79)
	Net other comprehensive income not to be reclassified to profit or loss		(184.14)	49.87
XI	**Total comprehensive income for the year (IX+X)**		3,762.79	6,622.72
XII	**Earnings per equity share**			
	Basic and diluted (in ₹)	47	3.95	6.57
	Material accounting policies and Notes to standalone financial statements	1-60		

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Vadodara
Date : May 24, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2024

A. EQUITY SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	
Balance as on March 31, 2022	2,000.00
Change in equity share capital during the year	-
Balance as on March 31, 2023	2,000.00
Change in equity share capital during the year	-
Balance as on March 31, 2024	**2,000.00**

B. OTHER EQUITY

(Amount ₹ in Lakhs)

Particulars	Reserves and Surplus			Other comprehensive income	Total
	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit plans	
Balance as at March 31, 2022	2.09	1,848.73	29,779.51	2.76	31,633.10
Profit for the year	-	-	6,572.85	-	6,572.85
Re-measurement of defined benefit plans (net of tax)	-	-	-	49.87	49.87
Total comprehensive income for the year	**-**	**-**	**6,572.85**	**49.87**	**6,622.72**
Payment of dividend	-	-	(1,000.00)	-	(1,000.00)
Balance as at March 31, 2023	**2.09**	**1,848.73**	**35,352.36**	**52.64**	**37,255.82**
Profit for the year	-	-	**3,946.93**	**-**	**3,946.93**
Re-measurement of defined benefit plans (net of tax)	-	-	-	**(184.14)**	**(184.14)**
Total comprehensive income for the year	**-**	**-**	**3,946.93**	**(184.14)**	**3,762.79**
Payment of dividend	-	-	**(2,000.00)**	**-**	**(2,000.00)**
Balance as at March 31, 2024	**2.09**	**1,848.73**	**37,299.29**	**(131.50)**	**39,018.61**

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Vadodara
Date : May 24, 2024

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(Amount ₹ in Lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**6,223.18**	9,229.55
Adjustments for:		
Depreciation and amortisation expense	**1,978.39**	2,036.92
Finance Cost (excluding interest on lease labilities and unwinding)	**233.25**	341.24
(Profit)/Loss on sale/discard of Property, Plant and Equipment (Net)	**(15.38)**	(4,702.27)
Unwinding of discount on provisions	**3.80**	3.83
Interest on Lease Liabilities	**90.22**	95.23
Interest Income	**(50.90)**	(34.72)
Dividend Income	**(79.35)**	-
Rental Income	**(579.31)**	(557.02)
Net Profit on sale / redemption of Current Investments	**(473.44)**	(579.42)
Net (gain) / loss on investments carried at fair value through Profit or Loss	**(2,455.98)**	9.30
Sundry balances written back (net)	**(0.60)**	(87.36)
Provision for Bad Debts & written offs (net off reversals)	**-**	67.42
Unrealised foreign exchange (gain)/loss (Net)	**3.64**	(2.19)
Re-measurement of defined benefit plans	**(283.05)**	76.66
Modification (Gain) / Loss on Lease Assets / Liabilities	**(0.27)**	-
Operating profit before working capital changes	**4,594.19**	5,897.16
Adjustment for (increase)/decrease in operating assets		
Inventories	**(226.96)**	(255.61)
Trade Receivables	**15,209.89**	(1,917.93)
Other Financial Assets	**(6.84)**	49.46
Other Assets	**(19.24)**	(89.64)
Adjustment for increase/(decrease) in operating liabilities		
Trade payables	**(10,505.57)**	5,121.32
Provisions	**1,116.57**	(7,497.60)
Other Liabilities	**(24.49)**	(1,808.89)
Cash flow from operations after changes in working capital	**10,137.56**	(501.71)
Net direct taxes (paid)/refunded	**(944.67)**	(1,516.50)
Net cash flow from/(used in) operating activities	**9,192.90**	(2,018.21)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, investment property including capital advances & CWIP	**(1,910.75)**	(1,288.40)
Proceeds from sale of property, plant and equipment	**162.04**	4,774.10
Loan given to Subsidiary	**(650.00)**	(800.00)
Loan received back from Subsidiary	**150.00**	800.00
Purchase of Investments	**(178,991.14)**	(220,083.16)
Sale of Investments	**175,374.11**	221,931.88
Interest Income	**50.90**	34.55
Rent Income on Investment Property	**579.31**	557.02
Placement of Deposit with Banks	**(7.16)**	(3.73)
Net cash flow from/(used in) investing activities	**(5,242.70)**	5,922.25

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024 (Continued)

(Amount ₹ in Lakhs)

		For the year ended March 31, 2024	For the year ended March 31, 2023
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of borrowings	**(1,626.47)**	(1,671.20)
	Payment of dividend (Including TDS)	**(2,000.00)**	(1,000.00)
	Payment of Lease Liabilities (including Interest)	**(360.76)**	(305.51)
	Finance cost	**(232.14)**	(359.77)
	Net Cash Flow from/(used in) Financing Activities	**(4,219.37)**	(3,336.49)
D.	**Net increase/ (decrease) in cash and cash equivalents (A+B+C)**	**(269.17)**	567.56
	Cash & cash equivalents at beginning of year (see note 1)	**803.78**	236.22
	Cash and cash equivalents at end of year (see note 1)	**534.61**	803.78
Notes:			
1	**Cash and cash equivalents comprise of:**		
	Cash on hands	**8.58**	4.97
	Balance with banks		
	In Cash Credit Accounts	**484.51**	711.91
	In Current Accounts	**41.58**	51.53
	Cheques in Transit	**-**	35.00
	Effect of unrealised Foreign Exchange (Gain) / Loss	**(0.06)**	0.37
	Cash and cash equivalents	**534.61**	803.78

2 **Reconciliation of liabilities from financial activities:**

(Amount ₹ in Lakhs)

Particulars	Lease liabilities	Long-term borrowings	Short-term borrowings
Opening Balance (23-24)	**1,193.95**	**3,091.94**	**-**
Opening Balance (22-23)	926.24	4,763.14	-
Cash inflow / (outflow) (23-24)	**(360.76)**	**(1,626.47)**	**-**
Cash inflow / (outflow) (22-23)	(305.51)	(1,671.20)	-
Non Cash Changes (23-24)	**104.35**	**-**	**-**
Non Cash Changes (22-23)	573.22	-	-
Closing Balance (23-24)	**937.61**	**1,465.47**	**-**
Closing Balance (22-23)	1,193.95	3,091.94	-

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Vadodara
Date : May 24, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Munjal Auto Industries Limited ('the Company') is a public limited company domiciled and incorporated in India having its registered office at 187, GIDC Estate, Waghodia, District: Vadodara- 391760. The shares of the Company are listed on two stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company is engaged in manufacturing and selling of Auto components. As at March 31, 2024, Thakur Devi Investments Private Limited, the holding company owned 74.81% of the Company's equity share capital.

2 APPLICATION OF NEW INDIAN ACCOUNTING STANDARDS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorized have been considered in preparing these financial statements.

Recent accounting pronouncements:

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

3 BASIS OF PREPARATION AND PRESENTATION

i. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

ii. Basis of preparation:

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The financial statements are presented in Indian Rupees which is Company's presentation and functional currency and all amounts are rounded off to the nearest lakhs (up to two decimals) except when otherwise indicated.

iii. Operating Cycle

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

4 MATERIAL ACCOUNTING POLICIES INFORMATION

i. Property, plant and equipment

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes (net of credits taken) and other incidental expenses. Freehold land is not depreciated.

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

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

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act. Estimated useful lives of these assets are as under:

Description	Years
Building	30-60
Leasehold Improvements	over the lease period
Plant & machinery	15
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5
Computers / Server	3

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

ii. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over a period of 3 to 10 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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

iii. Impairment of tangible and intangible assets

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

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

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

iv. Non-current assets held for sale

The Company classifies Non-Current Assets as held for sale/disposal if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

v. **Investment properties**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

vi. **Investment in subsidiary**

The Company records the investment in subsidiary at cost less impairment loss, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount. On disposal of investment in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

vii. **Inventories**

Inventories other than scrap are stated at the lower of cost and net realisable value. Costs of inventories are determined on a moving weighted average. Finished goods and work-in-progress (along with Stock in transit) include appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Scrap is valued at estimated net realisable value.

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

Provisions are made for obsolete and non-moving inventories.

viii. **Revenue & Other Income Recognition**

The Company earns revenue primarily from sale of products.

(a) Sale of products

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised products to a customer. A product is transferred when the customer obtains control of that product, which is at the point of transfer of custody to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and represents amounts receivable for products and services provided in the normal course of business, net off Goods and Services Tax (GST), etc.

(b) Dividend and interest income

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

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

(c) Other income

Other income is recognized on accrual basis except when realisation of such income is uncertain.

ix. **Government grants**

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with and the grants will be received. Government grants related to revenue are recognized on a systematic basis in the statement of profit or loss over the periods necessary to match them with the related costs which they are intended to compensate.

x. **Leases**

As a lessee

The Company's lease assets primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases and corresponding Right-of-use Asset . For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Right-of-use Assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use Assets are depreciated on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

As a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight line basis over the lease term. The Company has leased out its Investment Property classifying such lease as an Operating Lease, because it does not transfer substantially all of the risks and rewards incidental to the ownership of such Investment Property. Note 4 (v) sets out the information about the said Investment Property.

xi. **Foreign currency transactions**

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items (which includes advance received/paid) that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

xii. **Borrowing costs**

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

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

xiii. **Employee benefits**

(a) Short-term employee benefits

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

(b) Post-employment benefits

(1) Defined contribution plan

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

(2) Defined benefit plan

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

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

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

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

(c) Other long term employee benefits

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

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

xiv. Income taxes

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

(a) Current tax

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

(b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

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

(c) Current and deferred tax for the year

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

xv. Provisions, contingent liabilities and contingent assets

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

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

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

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

Product warranty expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to five years.

xvi. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Statement of Profit and Loss are recognised immediately in the Statement of Profit and Loss.

xvii. Financial assets

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

(a) Financial assets at amortised cost

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

(b) Equity investments at fair value through other comprehensive income:

Financial assets are measured at fair value through other comprehensive income (FVTOCI) if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the Statement of Profit and Loss when the right to receive payment has been established.

When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

(c) Financial assets at fair value through profit or loss

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

(d) Impairment of financial assets

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

(e) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

xviii. Financial liabilities and equity instruments

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

(a) Financial liabilities

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs'.

(b) Equity instruments

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

(c) Derecognition of financial liabilities

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

xix. Research and development expenditure

Expenditure of capital nature are capitalised and expenses of revenue nature are charged to the Statement of Profit and Loss, as and when incurred.

xx. Statement of cash flows:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company accounting policies, which are described in note no. 4, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgments in applying accounting policies

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

(a) Evaluation of indicators for impairment of property, plant and equipment

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

(ii) Assumptions and key sources of estimation uncertainty

(a) Assets and obligations relating to employee benefits

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

(b) Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting period. As at March 31, 2024 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

(c) Estimation of provision for warranty

Management estimates the related provision for future warranty claims based on certain percentages of revenue. The provision is based on historical information on the nature, frequency and average cost of warranty claims. Management also estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure which is generally expected to be settled within a period of 1 to 5 years.The assumptions made in relation to the current period are consistent with those in the prior year. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

(d) Provision for price differences

The company recognises price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimate and management assessments, considering the past trades and various other factors. This provisions are reviewed on regular basis and adjusted with respective elements with statement of profit and loss from the adequacy and reasonability point of view.

Revenue is measured by the Company at the transaction price i.e. amount of consideration received/receivable from its customers. In determining the transaction price for the sale of products, the Company considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials / share of business, rebates etc provided to the customers. The Company's business also requires passing on these credits related to price adjustments and others to the customers for the sales made by the Company. The Company, at the year end, has provided for such price adjustments to be passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors. This requires significant judgement and estimate in calculating the price adjustments to be recorded as at the year end.

(e) Provision for slow moving and obsolete items in Inventory valuation

Inventories are measured at the lower of cost and net realizable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions to determine obsolete or excess inventories.

(f) Identification of leases, duration and value

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

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease and to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is rate of interest that the Company would have to pay to borrow over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

6 PROPERTY, PLANT AND EQUIPMENT

(Amount ₹ in Lakhs)

Particulars /Assets	Tangible assets								Total
	Freehold land	Building	Plant & equipment	Lease hold improve-ments	Furniture & fixtures	Vehicles	Office equipment	Computers	
Gross block									
At April 1, 2022	1,796.86	6,472.83	19,119.40	354.59	513.35	792.08	174.68	157.07	29,380.86
Additions	-	27.17	325.19	-	0.11	145.85	1.99	10.55	510.86
Deduction/adjustments	-	-	104.89	-	-	48.67	-	3.64	157.20
At March 31, 2023	**1,796.86**	**6,500.00**	**19,339.70**	**354.59**	**513.46**	**889.26**	**176.67**	**163.98**	**29,734.52**
Additions	-	56.67	1,382.11	-	4.87	337.32	6.67	15.97	1,803.61
Deduction/adjustments	-	-	273.46	-	10.09	16.48	6.80	24.37	331.19
At March 31, 2024	**1,796.86**	**6,556.67**	**20,448.35**	**354.59**	**508.24**	**1,210.10**	**176.54**	**155.58**	**31,206.94**
Accumulated depreciation									
At April 1, 2022	-	1,273.32	8,366.06	140.97	131.32	464.13	133.55	111.43	10,620.78
Charge for the year	-	220.51	1,244.56	38.46	28.43	99.48	13.12	18.16	1,662.72
Deduction/adjustments	-	-	39.48	-	-	42.31	-	3.59	85.39
At March 31, 2023	**-**	**1,493.83**	**9,571.14**	**179.41**	**159.75**	**521.30**	**146.67**	**126.00**	**12,198.12**
Charge for the year	-	220.11	1,145.04	33.99	27.85	101.63	8.94	16.64	1,554.21
Deduction/adjustments	-	-	130.12	-	10.02	13.50	6.53	24.37	184.53
At March 31, 2024	**-**	**1,713.94**	**10,586.06**	**213.41**	**177.58**	**609.43**	**149.08**	**118.27**	**13,567.80**
Net block									
At March 31, 2023	1,796.86	5,006.17	9,768.56	175.16	353.71	367.96	30.00	37.98	17,536.40
At March 31, 2024	**1,796.86**	**4,842.73**	**9,862.29**	**141.18**	**330.66**	**600.67**	**27.46**	**37.31**	**17,639.14**

Notes:

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

(ii) For details of property, plant and equipment pledged as security to lenders, refer Note No. 26

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

(iv) Contractual obligations: Refer to note 46 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(Amount ₹ in Lakhs)

7 **CAPITAL WORK-IN-PROGRESS**

Particulars	Total
At April 01, 2022	52.01
Additions	781.50
Transfer to proprety, plant and equipment	16.31
At March 31, 2023	**817.20**
Additions	**720.93**
Transfer to proprety, plant and equipment	**686.96**
At March 31, 2024	**851.17**

CWIP ageing schedules

As at March 31, 2024

CWIP	Amount in CWIP for a period of		Total
	Less than 1 year	1-2 years	
Projects in progress	**708.14**	**143.04**	**851.17**

CWIP ageing schedules

As at March 31, 2023

CWIP	Amount in CWIP for a period of		Total
	Less than 1 year	1-2 years	
Projects in progress	781.50	35.70	**817.20**

The Company has no such Projects whose completion is overdue or where costs have exceeded as compared to the original plan.

8 **INVESTMENT PROPERTY**

Particulars/Assets	Total
At April 1, 2022	2,542.85
Additions	-
Depreciation	88.25
At March 31, 2023	2,454.60
Additions	-
Depreciation	88.25
At March 31, 2024	**2,366.35**

(i) Investment property includes Factory Building situated at Waghodia, Gujarat, which is owned to earn rentals and for capital appreciation. The said property is leased out to the Company's subsidiary for its operations.

(ii) The said investment property is pledged as security for a related borrowing. The fair value of the property measured by a registered valuer is ₹ 2148.00 (PY - ₹ 2201.13) Lakhs.

(iii) Rental income of ₹ 579.31 (PY - ₹ 557.02) Lakhs is shown within other income and Interest on borrowing from bank of ₹ 77.04 (PY - ₹ 93.28) Lakhs are reported within Finance Costs and and subletting charges of ₹ 12.05 (PY - ₹ 12.05) Lakhs are reported under Rates & Taxes.

(Amount ₹ in Lakhs)

9 OTHER INTANGIBLE ASSETS

Particulars/Assets	Computer software	Total
Gross block		
At April 1, 2022	420.67	420.67
Additions	-	-
At March 31, 2023	420.67	420.67
Additions	54.50	54.50
At March 31, 2024	**475.17**	**475.17**
Accumulated amortisation		
At April 1, 2022	304.29	304.29
Charge for the year	39.72	39.72
At March 31, 2023	344.01	344.01
Charge for the year	38.13	38.13
At March 31, 2024	**382.14**	**382.14**
Net block		
At March 31, 2023	76.66	76.66
At March 31, 2024	**93.03**	**93.03**

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

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

10 RIGHT OF USE ASSETS

(Amount ₹ in Lakhs)

Mevement in net carrying amount	Right of use assets			Total
	Land	Building	Plant & equipment	
At April 1, 2022	320.72	762.78	24.06	1,107.56
Add : Addition	-	461.32	25.11	486.43
Less : Depreciation	5.96	227.75	12.52	246.23
As at March 31, 2023	**314.76**	**996.35**	**36.65**	**1,347.76**
Add : Addition	-	-	12.67	12.67
Less : Modification / Re-measurement	-	-	1.21	1.21
Less : Depreciation	5.71	279.09	13.00	297.80
As at March 31, 2024	**309.05**	**717.26**	**35.11**	**1,061.42**

Note : All Lease agreements are duly executed in favour of the company

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
11	**INVESTMENTS (Non-Current)**		
	Investments in equity Instruments		
	Investments in subsidiary (at cost)		
	Indutch Composites Technology Private Limited	3,001.93	3,001.93
	(Unquoted, fully paid up 28,66,536 equity shares, face value ₹ 10 per share)		
	Total	**3,001.93**	**3,001.93**
	Aggregate carrying value of unquoted investments	3,001.93	3,001.93
	Aggregate amount of impairment in value of investments	-	-

(ii) Details of Subsidiary:

Name of subsidiary	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest/ voting rights held by the Company As at March 31, 2024	As at March 31, 2023
Indutch Composites Technology Private Limited	Designing, developing, testing and production of different types of composites moulds and products for different industries	**Place of incorporation:** Vadodara, Gujarat **Principal place of business:** Vadodara and Chennai	68.00%	68.00%

(iii) Refer Note 4 (vi) for method followed for accounting of investments in subsidiaries.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
12	**DEPOSITS (Non-Current)**		
	Unsecured, considered good		
	Deposits	141.99	137.79
	Total	**141.99**	**137.79**
13	**OTHER NON-CURRENT ASSETS**		
	Capital advances	62.15	34.30
	Less : Provision for Impairment	-	29.00
	Net capital advances	62.15	5.30
	Advance income tax (net of provisions)	221.45	243.60
	Duty paid under protest	11.73	27.45
	Total	**295.34**	**276.35**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
14	**INVENTORIES**		
	Raw materials	2,092.53	2,015.88
	Work in Process	750.38	489.14
	Finished Goods	900.17	1,166.24
	Finished Goods- Stock in Transit	216.48	406.19
	Store and spares	634.24	289.39
	Total	**4,593.80**	**4,366.84**

(i) Inventory write downs/ provisions for slow-moving and obsolete items are accounted, considering the nature of inventory, ageing, liquidation plan and net realizable value. Provision for slow-moving and obsolete items of inventories amounted to ₹ 139.33 (March 31, 2023 : ₹ 162.10) Lakhs. The changes in provisions are recognized as an expense / income in the Standalone Statement of Profit and Loss. There is a reversal of provision of ₹ 22.77 Lakhs.

(ii) For Inventories given as security to lenders, refer Note No. 31.

	Particulars	As at March 31, 2024 (Units in Nos.)	As at March 31, 2024 (Amount ₹ in Lakhs)	As at March 31, 2023 (Units in Nos.)	As at March 31, 2023 (Amount ₹ in Lakhs)
15	**INVESTMENTS (Current)**				
	Financial assets carried at fair value through profit or loss				
	Investment in mutual funds (unquoted)				
	HDFC Short Term Debt Fund	2,310,358	667.36	2,310,358	619.69
	HDFC Focused 30 Fund	374,788	693.80	345,084	453.54
	HDFC Flexicap Fund	47,707	766.02	44,669	500.96
	HDFC TOP 100 Fund	40,423	415.07	17,011	125.35
	HDFC Ultra Short Term Fund	-	-	1,909,035	246.69
	Motilal Oswal Ultra Short Term Fund	-	-	555,927	80.42
	Motilal Oswal Midcap Fund	1,765,981	1,398.64	1,608,388	794.42
	Nippon India Large Cap Fund	1,048,947	820.13	1,048,947	566.35
	Nippon India Banking & Financial Services	109,458	560.02	89,373	341.65
	Nippon India Money Market Fund	-	-	2,293	80.54
	ICICI Prudential Short Term Fund	1,228,161	668.57	1,228,161	620.58
	ICICI Prudential ALL Season Fund	1,473,398	490.84	1,473,398	454.80
	ICICI Prudential Flexicap Fund	6,028,167	972.95	6,028,167	671.54
	ICICI Prudential Small Cap Fund	1,509,100	1,123.97	1,509,100	794.24
	ICICI Prudential Money Market Fund	-	-	65,929	211.72
	ICICI Prudence Value Discovery Fund	108,664	428.78	22,175	60.70
	Bandhan Crisil Gilt Fund 2027	3,819,811	444.92	3,819,811	415.04
	Kotak Liquid Reg Fund	-	-	5,920	267.42
	Kotak Overnight Fund	-	-	14,707	175.20
	Kotak Money Market Fund	148,118	6,059.27	75,372	2,866.57
	Kotak Private Credit Fund	15,039	1,564.21	1,000	101.32
	Total		**17,074.55**		**10,448.74**
	Investments in mutual funds have been fair valued at closing net asset value (NAV).				
	The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.				
	Aggregate amount of quoted investments & market value		**17,074.55**		10,448.74
	Aggregate amount of impairment in value of investments		-		-

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
16	**TRADE RECEIVABLES**		
	Unsecured, considered good	19,583.07	34,794.99
	Credit impaired	70.84	70.84
	Total (A)	**19,653.91**	**34,865.83**
	Less: Impairment for doubtful trade receivables (B)	70.84	70.84
	Total (A-B)	**19,583.07**	**34,794.99**

(i) The above figures includes receivable from subsidiary (Refer note 57)

(ii) Generally, the Company enters into long-term sales arrangement with its customers. The average credit period is around 45 days.

(iii) At 31 March 2024, the Company had single customer (31st March, 2023: single customer) having outstanding more than 5% of total trade receivables that accounted for approximately 89% (31st March, 2023: 95%) of total trade receivables outstanding.

(iv) The Company assesses impairment loss on dues from its customers based on facts and circumstances relevant to each transaction. Usually, Company collects all its receivables from its customers within due date.

(v) Ageing Schedule for Trade Receivables (Refer note 54)

(vi) **Movement of Impairment for doubtful trade receivables:**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
	Balance at beginning of the year	70.84	3.43
	Addition in expected credit loss allowance on trade receivables	-	67.42
	Balance at end of the year	**70.85**	**70.84**
17	**CASH AND CASH EQUIVALENTS**		
	Balances with banks		
	In cash credit accounts	484.51	711.91
	In current accounts	41.58	51.53
	Cheques in Transit	-	35.00
	Cash on hand	8.52	5.34
	Total	**534.60**	**803.78**
18	**OTHER BANK BALANCES**		
	Balances with banks		
	Unclaimed dividend - earmarked	60.00	59.27
	Deposit with bank held as margin money against bank guarantee & LC	21.55	14.39
	Total	**81.55**	**73.66**
19	**DEPOSITS (Current)**		
	Deposits (Refer note 57)	500.00	-
	Total	**500.00**	**-**

Terms of inter company deposit

i. Unsecured Rupee term loan provided to Indutch Composite Private Limited for the purpose of utilization towards principle business activities.

ii. The loan is repayable at the end of financial year. However, the company has extended the loan for one additional year.

iii. Interest rate is 310 basis points above the RBI Repo Rate which comes out to be 9.60%.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
20	**OTHER CURRENT FINANCIAL ASSETS**		
	Unsecured, considered good		
	Interest receivable	0.16	0.16
	Loans to employees	6.90	4.26
	Other receivables	22.33	22.33
	Total	**29.39**	**26.75**
21	**CURRENT TAX ASSETS (NET)**		
	Current tax assets		
	Advance tax (net of provisions)	94.11	128.00
	Total	**94.11**	**128.00**
22	**OTHER CURRENT ASSETS**		
	Unsecured, considered good		
	Advance to vendors	102.67	194.51
	Deposit (Refer note below)	15.45	15.45
	Others		
	Balance with Government Authorities	97.33	-
	Prepaid Expenses	194.30	164.82
	Total	**409.75**	**374.78**

The Company had deposited ₹ 15.45 Lakhs under protest towards octroi duty in a separate bank account jointly held with the Sarpanch, Waghodia Gram Panchayat. The State Government of Gujarat has notified that industrial units in the notified area of Waghodia are not required to pay the octroi duty from July 19, 1997. The Company believes it has no liability for octroi duty even for the earlier period and hence no provision has been made. In the absence of clarity regarding rights of respective parties, interest income credited by the bank amounting to ₹ 28.42 Lakhs (As at 31st March, 2023: ₹ 27.26 Lakhs) on the aforesaid amount till March 31, 2024 has not been recognized.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
23	**NON-CURRENT ASSETS HELD FOR SALE**		
	Leasehold land including Building for sale (refer note 10)	1,164.27	1,164.27
	Total	**1,164.27**	**1,164.27**

The Company has entered into an agreement to transfer the Right of Use Asset pertaining to Land located at MIDC, Pune, Maharashtra. The transactions are set to be completed by end of FY 24-25. It has also received non-refundable advance for MIDC, Pune Land of ₹ 1161.78 Lakhs for the same (refer note 35).

24	**EQUITY SHARE CAPITAL**		
	Authorised share capital		
	10,00,00,000 (as at March 31, 2023: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Unclassified Shares	500.00	500.00
	Total authorised share capital	**2,500.00**	**2,500.00**
	Issued, subscribed & fully paid share capital		
	10,00,00,000 (as at March 31, 2023: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Total	**2,000.00**	**2,000.00**

(i) **A reconciliation of number of shares outstanding at the beginning and at the end of the year**

(Amount ₹ in Lakhs)

Particulars	No. of shares	Share capital
As at April 1, 2022	10,00,00,000	2,000.00
Add: Increase/(decrease) during the year	-	-
As at March 31, 2023	10,00,00,000	2,000.00
As at April 1, 2023	**10,00,00,000**	**2,000.00**
Add: Increase/(decrease) during the year	**-**	**-**
As at March 31, 2024	**10,00,00,000**	**2,000.00**

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

The Company has only one class of Equity Shares having a par value of ₹ 2 per share. For all matters submitted to vote in a shareholders meeting of the Company, every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Particulars	No. of shares	Extent of holding
(iii) Details of shares held by holding Company are classified as under		
Thakur Devi Investments Private Limited		
As at March 31, 2024	**7,48,06,450**	**74.81%**
As at March 31, 2023	7,48,06,450	74.81%
(iv) Details of shareholders holding more than 5% shares in the Company are as under		
Thakur Devi Investments Private Limited		
As at March 31, 2024	**7,48,06,450**	**74.81%**
As at March 31, 2023	7,48,06,450	74.81%

(v) **Details of shares held by promoters :**

Promoters Name	No. of shares at the beginning of the Year	Change during the year	No. of shares at the end of the year	% of Total shares	% of change during the year
Thakur Devi Investments Private Limited					
As at March 31, 2024	7,48,06,450	-	7,48,06,450	74.81%	-
As at March 31, 2023	7,48,06,450	-	7,48,06,450	74.81%	-

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
25	**OTHER EQUITY**		
	Capital reserve	2.09	2.09
	General reserves	1,848.73	1,848.73
	Retained earnings	37,299.29	35,352.36
	Other comprehensive income	(131.50)	52.64
	Total	**39,018.61**	**37,255.82**

(i) Particulars relating to other equity

Other equity	As at March 31, 2024	As at March 31, 2023
Capital reserve		
Opening balance	2.09	2.09
Closing balance (A)	**2.09**	**2.09**
General reserves		
Opening balance	1,848.73	1,848.73
Closing balance (B)	**1,848.73**	**1,848.73**
Retained earnings		
Opening balance	35,352.36	29,779.51
Add: Net profit after tax transferred from statement of profit & loss	3,946.93	6,572.85
Less: Dividend paid (amount per share ₹ **2.00 on 10,00,00,000 shares** (Previous Year ₹ 1.00 on 10,00,00,000 shares))	(2,000.00)	(1,000.00)
Closing balance (C)	**37,299.29**	**35,352.36**
Other comprehensive income		
Opening balance	52.64	2.77
Add: Re-measurement of defined benefit obligation (net of income tax)	(184.14)	49.87
Closing balance (D)	**(131.50)**	**52.64**
Total (A+B+C+D)	**39,018.61**	**37,255.82**

(ii) Capital Reserve represents the profit on re-issue of forfeited shares.

(iii) The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not reclassified subsequently to profit or loss.

(iv) The other comprehensive income is created by Re-measurement of defined benefit obligation and will not reclassified subsequently to profit or loss.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
26	**BORROWINGS - NON CURRENT**		
	Secured		
	Term loans		
	From banks	684.26	1,455.15
	Total	**684.26**	**1,455.15**

(i) Nature of security:

Term loans	Nature of security	Current maturities of each loan (₹ in lakhs)	Each loan outstanding (₹ in lakhs)
From Bank			
State Bank of India			
Loan VIII	These loans are secured by way of mortgage / charge created Plant and Machinery acquired out of the sanctioned Term Loan for Waghodia, District- Vadodara, Gujarat.	- (705.59)	- (705.59)
Loan IX		**444.00** (440.00)	**538.16** (971.83)
HDFC Bank Limited	Theses loans are secured by way of charge created on fixed assets funded out of term loan pertaining to the Company's plant at Dharuhera, District - Rewari, Haryana.		
Loan IV		- (150.00)	- (150.00)
Loan V		**337.20** (337.20)	**927.30** (1,264.52)

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

Term Loans	Date of maturity	Rate of interest	No. of instalments due after the balance sheet date	Each instalment in ₹ in Lakhs
From Bank **State Bank of India**				
Loan VIII	March, 2024	MCLR + 0.10% (PY-MCLR+0.25%)	- (4)	- (185.00)
Loan IX	June, 2025	MCLR + 0.10% (PY-MCLR+0.25%)	**5** (9)	**111.00** (111.00)
HDFC Bank Limited				
Loan IV	Februrary, 2024	MCLR + 0.15%	- (4)	- (37.50)
Loan V	December, 2026	MCLR + 0.15%	**11** (15)	**50.00** (50.00)
			11 (15)	**34.30** (34.30)

Previous year figures are in bracket

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
27	**LEASE LIABILITIES (Non-Current)**		
	Lease liabilities	627.50	922.53
	Total	**627.50**	**922.53**
	Movement of lease liabilities are as under:		
	Opening balance	1,193.95	926.24
	Addition during the year	12.67	477.99
	Finance Cost	90.22	95.23
	Payment made during the year	(360.76)	(305.51)
	Modification	(1.46)	-
	Closing balance	**934.61**	**1,193.95**
	Current liabilities	307.11	271.42
	Non-current liabilities	**627.50**	**922.53**
28	**OTHER FINANCIAL LIABILITIES (Non-Current)**		
	Security deposits (from subsidiary) (refer note 57)	83.33	83.33
	Total	**83.33**	**83.33**
29	**LONG-TERM PROVISIONS**		
	Provision for employee benefits (For details refer note no. 48)		
	Gratuity	403.76	100.28
	Leave encashment	462.42	395.60
	Provision for others		
	Warranties (Refer Note below for movement)	37.76	39.64
	Total	**903.94**	**535.52**

(i) Movement in warranties provision

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	53.91	58.90
Additions during the year	8.24	11.14
Amount utilized during the year	(0.86)	(5.95)
Provision reversed during the year	(14.12)	(14.01)
Unwinding of discount on provisions	3.80	3.83
Closing balance	**50.97**	**53.91**
Long-term provisions	37.76	39.64
Short-term provisions	13.21	14.27

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

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
30	**DEFERRED TAX ASSETS / (LIABILITIES)**		
	Deferred tax assets	1,588.93	1,815.45
	Deferred tax liabilities	(3,486.15)	(2,536.12)
	Total	**(1,897.22)**	**(720.67)**

(Amount ₹ in Lakhs)

Particulars	Opening balance	Recognized in statement of profit and loss	Recognized in other comprehensive income	MAT credit (setoff)	Adjust-ments	Closing balance
For the Financial Year 2023-24:						
Deferred tax asset on account of:						
Expenses claimed for tax purpose on payment basis	**470.15**	**110.47**	**98.91**	-	-	**679.53**
Others	-	**6.27**	-	-	-	**6.27**
Lease Liability	**317.41**	**9.44**	-	-	-	**326.85**
Impairment of Trade Receivables	**24.75**	-	-	-	-	**24.75**
MAT Credit entitlement	**1,003.14**	-	-	**(331.70)**	**(119.91)**	**551.53**
Total deferred tax assets (A)	**1,815.45**	**126.18**	**98.91**	**(331.70)**	**(119.91)**	**1,588.93**
Deferred tax liability on account of:						
Property, plant and equipment & intangible assets	**2,241.73**	**126.55**	-	-	-	**2,368.28**
Right of Use Assets	**297.64**	**(34.73)**	-	-	-	**262.91**
Financial assets carried at fair value through profit or loss	**(3.25)**	**858.21**	-	-	-	**854.96**
Others	-	-	-	-	-	-
Total deferred tax liabilities (B)	**2,536.12**	**950.03**	-	-	-	**3,486.15**
Net deferred tax (A-B)	**(720.67)**	**(823.85)**	**98.91**	**(331.70)**	**(119.91)**	**(1,897.22)**
For the Financial Year 2022-23:						
Deferred tax asset on account of:						
Expenses claimed for tax purpose on payment basis	518.87	(21.93)	(26.79)	-	-	470.15
Carry Forward of Losses	16.91	(16.91)	-	-	-	-
Impairment of trade receivables	11.33	13.42	-	-	-	24.75
MAT credit entitlement	1,966.97	-	-	(963.83)	-	1,003.14
Total deferred tax assets (A)	**2,514.08**	**(25.42)**	**(26.79)**	**(963.83)**	**-**	**1,498.04**
Deferred tax liability on account of:						
Property, plant and equipment & intangible assets	2,235.51	6.22	-	-	-	2,241.73
Financial assets carried at fair value through profit or loss	30.65	(49.46)	-	-	-	(18.80)
Others	(20.58)	16.37	-	-	-	(4.22)
Total deferred tax liabilities (B)	**2,245.58**	**(26.87)**	**-**	**-**	**-**	**2,218.71**
Net deferred tax (A-B)	**268.50**	**1.44**	**(26.79)**	**(963.83)**	**-**	**(720.67)**

The company had previously recognised deferred tax on lease on net basis. As a result of this amendment, the company has required to recognised a separate deferred tax asset on its Lease Liability and deferred tax liability on its ROU Assets. Since these balances qualify for offset as per requirements of para 74 of Ind AS 12, there is no impact on balance sheet. There was also no impact on opening retained earnings as at 1st April 2023.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
31	**BORROWINGS - CURRENT**		
	Current maturities of long term debt		
	Secured	781.20	1,636.79
	Loans repayable on demand from banks		
	Secured (refer note below)	-	-
	Total	**781.20**	**1,636.79**
	(i) These loans are secured by a first charge on inventories, receivables and all other current assets of the Company.		
32	**LEASE LIABILITIES - CURRENT**		
	Lease liabilities (refer note no. 27)	307.11	271.42
	Total	**307.11**	**271.42**
33	**TRADE PAYABLES**		
	(A) Total outstanding dues of micro and small enterprises	302.10	3,442.05
	(B) Total outstanding dues of creditors other than micro and small enterprises	12,311.49	19,746.96
	Total	**12,613.59**	**23,189.01**
	(i) Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 30 - 60 days.		
	(ii) Ageing schedule for trade payables (refer note 54)		
	Trade payables -Total outstanding dues of micro & small enterprises*		
	(a) Principal & interest amount remaining unpaid but not due as at year end		
	- Principal	302.10	3,442.05
	- Interest	17.43	26.66
	(b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
	(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
	(d) Interest accrued and remaining unpaid as at year end	17.43	26.66
	(e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	172.00	145.34

*Based on the confirmation from vendors.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
34	**OTHER CURRENT FINANCIAL LIABILITIES**		
	Unclaimed Dividend*	60.00	59.27
	Interest accrued and due on borrowings	12.14	11.03
	Security Deposits	36.87	41.69
	Expenses payable	495.65	424.11
	Payable to Employees	627.28	630.39
	Payable for Capital Goods	115.59	77.40
	Total	**1,347.53**	**1,243.89**
	*No amount is due for deposit in investor education and protection fund.		
35	**CURRENT TAX LIABILITIES**		
	Current tax liabilities		
	Liability for statutory payments	1,670.13	2,799.89
	Advance from Customers	185.16	117.00
	Advance against Assets held for Sale	1,161.78	117.35
	Total	**3,017.07**	**3,034.24**
36	**PROVISIONS (Current)**		
	Provision for employee benefits (For details refer note no.48)		
	Gratuity	133.59	119.13
	Leave encashment	757.98	491.16
	Provision for others		
	Warranties (Refer note no. 29 for details)	13.21	14.27
	Provision for price differences (contract liabilities)	5,329.32	4,857.58
	Total	**6,234.10**	**5,482.14**
	Movement in provision for price differences:		
	Opening balance	4,857.58	12,378.50
	Additions during the year	5,299.62	22,845.31
	Amount utilized / Written back during the year	(4,827.87)	(30,366.23)
	Closing balance	**5,329.33**	**4,857.58**
	Long-term provisions	-	-
	Short-term provisions	5,329.33	4,857.58
	Break-up of provision for price differences		
	Payable to / (receivable) from - customers	4,648.52	5,369.59
	(Receivable) from / payable to - vendors	680.81	(512.01)

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
37	**REVENUE FROM OPERATIONS**		
	Sale of products		
	Components of automobile	130,884.47	156,522.69
	Other operating revenue		
	Sale of scrap	1,206.39	1,621.95
	Job Work Income	151.41	-
	Export Incentives	-	0.92
	Total	**132,242.27**	**158,145.56**
38	**OTHER INCOME**		
	Interest income on financial assets carried at amortised cost		
	Deposit with bank and others	50.90	34.72
	Dividend Income		
	Dividend received on investments carried at fair value through Profit or Loss	79.35	-
	Net Profit on sale / redemption of Current Investments	473.44	579.42
	Net gain on investments carried at fair value through Profit or Loss	2,455.98	-
	Exchange fluctuation (net)	-	8.22
	Unwinding of Interest	2.05	1.72
	Other non-operating income		
	Rental income	579.31	557.02
	Insurance Claim Received	67.43	57.83
	Profit on Sale of PPE (Net)	15.38	-
	Sundry balances written back (net)	0.63	85.34
	Provision written back	-	29.00
	Modification (Gain) / Loss on Lease Assets / Liabilities	0.27	-
	Miscellaneous Income	9.64	5.54
	Total	**3,734.37**	**1,358.80**
39	**COST OF MATERIALS CONSUMED**		
	Cost of materials consumed	107,859.49	134,853.39
	Total	**107,859.49**	**134,853.39**
40	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN-PROGRESS**		
	Opening stock		
	Finished goods	1,166.24	785.85
	Work-in-progress	489.14	854.84
	Finished goods- stock in transit	406.19	260.31
	Total (A)	**2,061.57**	**1,901.00**
	Closing stock		
	Finished goods	900.17	1,166.24
	Work-in-progress	750.38	489.14
	Finished goods- stock in transit	216.48	406.19
	Total (B)	**1,867.03**	**2,061.57**
	Total (A-B)	**194.54**	**(160.57)**
41	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries and wages	6,912.09	6,109.28
	Contribution to provident and other funds	641.23	567.66
	Staff welfare expenses	238.69	219.62
	Total	**7,792.01**	**6,896.56**

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
42	**FINANCE COSTS**		
	Interest on		
	Borrowings from banks	212.90	308.73
	Others	17.54	26.69
	Lease Liabilities	90.22	95.23
	Other costs	2.81	5.82
	Unwinding of discount on provisions (Warranty)	3.80	3.83
	Total	**327.27**	**440.30**
43	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on property, plant and equipment	1,554.21	1,662.72
	Depreciation on Investment Property	88.25	88.25
	Depreciation on ROU Assets	297.80	246.23
	Amortization of intangible assets	38.13	39.72
	Total	**1,978.39**	**2,036.92**
44	**OTHER EXPENSES**		
	Stores and tools consumed	3,677.85	3,817.33
	Power and fuel	1,883.60	1,859.56
	Freight Charges	687.49	679.82
	Repairs and maintenance		
	Repairs to buildings	23.80	7.53
	Repairs to Machinery	408.49	355.81
	Repairs and Maintenance - Others	97.05	89.43
	Research and Development Expenses (Refer Note iii below)	-	133.66
	Rent	11.67	6.50
	Wages to Contractors	2,258.01	1,888.96
	Professional Charges	450.07	141.70
	Insurance Premium	199.06	203.24
	Payment to Auditors' (Refer Note ii below)	30.54	18.25
	Loss on property, plant and equipment sold/discarded (Net)	-	14.05
	Rates and Taxes excluding taxes on income	64.53	62.58
	Charity & Donation	12.11	8.69
	Corporate Social Responsibility (CSR) expenses	77.00	62.00
	Warranty Expenses	9.74	18.14
	Exchange fluctuation (net)	3.36	-
	Provision for doubtful debts	-	67.42
	Capital Advance written off	-	29.00
	Net loss on investments carried at fair value through Profit or Loss	-	9.30
	Miscellaneous Expenses	1,707.39	1,451.57
	Total	**11,601.76**	10,924.53
	(i) Payment to auditors has been classified below (excluding taxes)		
	As auditors		
	- Statutory Audit	18.25	18.25
	- Tax Audit	2.75	2.75
	For Certification	0.40	0.50
	For Taxation Matters	2.40	2.40
	For Other Services	6.40	1.00
	For Out of pocket expenses	0.34	0.13
	Total	**30.54**	**25.03**

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(ii) Expenditure towards Corporate Social Responsibility (CSR) activities:		
1. Gross amount required to be spent by the Company during the year	74.42	47.74
2. Amount spent in cash during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	77.00	62.00
3. Shortfall at the end of the year	-	-
4. Total of previous years shortfall	-	-
5. Reason for shortfall	NA	NA
6. Nature of CSR activities	Special education & health improvement	Special education & health improvement
(iii) Research and development expenses :		
Expenses charged to revenue account		
Raw material consumption		118.05
Employee benefits		15.40
Travelling & other expenses		0.22
Total	**-**	**133.66**
Capital expenditure		
Equipments	**-**	**0.10**
Total	**-**	**0.10**

45 TAX EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax in relation to		
Current years	1,369.42	2,570.32
Earlier years	82.98	87.82
Deferred tax		
In respect of current year	724.94	25.34
Total income tax expense recognised in the current year	**2,177.33**	**2,683.48**
(i) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	6,223.18	9,229.55
Income tax expense calculated at 34.944% (2022-23: 34.944%)	2,174.63	3,225.18
Tax effects of amounts which are not deductible/(taxable) in calculating taxable income		
Expenses not allowed in Income Tax	26.02	34.51
Effect of income exempt/ taxed on lower rate	-	(726.03)
Adjustment of MAT Credit	(119.91)	-
Tax adjustment of earlier years	82.98	87.82
Others	13.62	61.99
	2,177.33	**2,683.48**

46 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(A) Contingent liabilities not provided for in respect of

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the company not acknowledged as debt under the labour laws	88.87	103.62
Income Tax (Refer Note (iii) below)	95.04	95.04
Excise Duty (Refer Note (iv) below)	58.76	58.76
Sales Tax (Refer Note (v) below)	33.22	52.12

(i) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above pending resolution of the arbitration/appellate proceedings.

(iii) Income tax

The Company is involved in tax disputes amounting to ₹ 95.04 (as at March 31, 2023 ₹ 95.04) Lakhs relating to Income Tax. This mainly relate to the disallowance under section 14A and Domestic Transfer Pricing of the Income Tax Act, 1961 and interest thereon which is pending at Appellate level.

(iv) Excise duty

The Excise Authorities had denied a CENVAT credit amounting to **₹ 29.38 Lakhs** and imposed a penalty of **₹ 29.38 Lakhs** for a period between June, 2008 to March, 2009 (₹ 29.38 Lakhs and ₹ 29.38 Lakhs CENVAT credit and penalty respectively at March 31, 2023) in respect of CENVAT credit availed on supplementary invoices raised by the Customer on account of material supplied by them. The Company is contesting the show cause notice.

(v) Sales tax

The total sales tax demands (including interest and penalty), that are being contested by the Company amount to **₹ 33.22** (as at 31st March, 2023 ₹ 52.12) Lakhs. The details of the demands are as follows:

The Sales Tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to **₹ 33.22** (as at March 31, 2023 ₹ 33.22) Lakhs. The reasons for disallowing credit was mainly due to not allowing set off of taxes on LPG Gas and other materials used in manufacturing and also not allowing full deduction of taxes paid. Further, there is levy of purchase tax on purchase of LPG Gas. The matter is contested in appeal.

The Sales Tax authorities have demanded tax aggregating to ₹ Nil (as at March 31, 2023 ₹ 18.90) Lakhs on account of tax being levied on inter-state stock transfers. During the year the Company has received favorable order in this matter.

(B) Commitments

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	89.44	5.54
(b)	Commitment for investment in mutual funds	-	1,900.00

47 EARNINGS PER SHARE

Profit after tax for the year attributable to equity shareholders (₹ in Lakhs)	3,946.93	6,572.85
Weighted average number of equity shares (in Nos.)	10,00,00,000	10,00,00,000
Basic and diluted earnings per equity share (in ₹)	3.95	6.57
Face value per equity share (in ₹)	2.00	2.00

48 EMPLOYEE BENEFITS

(a) Defined contribution plans

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

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

(i) Provident fund and pension

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

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

(ii) Superannuation fund

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

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

The total expenses recognized in the Standalone Statement of Profit and Loss during the year are as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution to provident and other funds	355.02	358.69
Employer's contribution to superannuation fund	117.74	47.90
Total	**472.77**	**406.59**

(b) Defined benefit plan

(i) Gratuity

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognized Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2024 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method. Each year, the Company reviews the level of funding in gratuity fund. The Company decides its contribution based on the results of its annual review.

This plan typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

(I) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

(II) Interest rate risk

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

(III) Longevity risk

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

(IV) Salary risk

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

Amounts recognized in the Financial Statements in respect of defined benefit plan are as follows:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost		
Current service cost	125.09	119.64
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net interest expense/ (income)	11.75	11.74
Components of defined benefit costs recognised in Employee benefit expenses	**136.84**	**131.38**
Re-measurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from changes in financial assumptions	19.09	(60.97)
Actuarial (gains)/losses arising from experience adjustments	259.02	(9.98)
Return on plan assets excluding amount included in net interest cost	4.94	(5.71)
Components of re-measurement	**283.05**	**(76.66)**
Total	**419.89**	**54.72**
The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:		
Present value of funded defined benefit obligation	1,860.95	1,568.71
Fair value of plan assets	1,323.61	1,349.30
Net liability arising from defined benefit obligation	**537.35**	**219.41**
Movements in the present value of the defined benefit obligation are as follows:		
Opening defined obligation	1,568.71	1,485.53
Current service cost	125.09	119.64
Interest cost	94.99	83.11
Re-measurement (gains)/losses :		
Actuarial (gains)/ losses arising from changes in financial assumptions	19.09	(60.97)
Actuarial (gains)/ losses arising from experience adjustments	259.02	(9.98)
Benefits paid	(205.95)	(48.63)
Closing defined benefit obligation	**1,860.95**	1,568.71

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Movements in the fair value of plan assets are as follows:		
Opening value of plan assets	1,349.30	1,250.48
Interest income	83.24	71.37
Return on plan assets excluding amounts included in interest income	(4.94)	5.71
Contributions by employer	101.95	70.36
Benefits paid	(205.95)	(48.63)
Closing value of plan assets	**1,323.61**	**1,349.30**
Classification of non-current and current liability:		
Current liability	133.59	119.13
Non-current liability	403.76	100.28
Total	**537.35**	**219.41**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Mortality	Indian assured lives mortality (2012-14) table	
Withdrawal rates	10.00% p.a. at younger ages reducing to 1.00% p.a. at older ages	10.00% p.a. at younger ages reducing to 1.00% p.a. at older ages
Discount rate (%)	7.15%	7.35%
Salary escalation rate (%)	6.50%	6.50%
Rate of return on plan assets (%)	7.15%	7.35%

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
The fair value of the plan assets at the end of the reporting period for each category are as follows:		
100% managed by insurer (Life Insurance Corporation of India)	1,323.61	1,349.30

Fair value of Investment in Group of Insurance Company is taken as book value on reporting date.

The actual return on plan assets of gratuity during the year is ₹ **78.30** (during previous year ended March 31, 2023: ₹ 77.08) Lakhs.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount ₹ in Lakhs)

Significant actuarial assumptions	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate		
- Impact due to increase of 50 basis points	1,814.16	1,525.30
- Impact due to decrease of 50 basis points	1,910.97	1,615.13
Salary increase		
- Impact due to increase of 50 basis points	1,906.33	1,612.37
- Impact due to decrease of 50 basis points	1,817.45	1,527.00
Withdrawal rate		
- Impact due to increase of 10 percent	1,863.10	1,571.10
- Impact due to decrease of 10 percent	1,858.72	1,566.22

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

The Company expects to make a contribution of ₹ 133.59 (as at March 31, 2023 : ₹ 119.13) Lakhs to the defined benefit plans during the next financial year.

(c) Other long term employee benefit plans

Leave encashment

Amount of ₹ 423.66 (March 31, 2023 ₹ 108.41) Lakhs is recognized as expenses and included in note no. 42 “Employee benefit expense”.

49 IMPAIRMENT OF ASSETS

In accordance with the Indian Accounting Standard (Ind AS-36) on “Impairment of Assets” the Company has, during the year, carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at March 31, 2024.

50 SEGMENT REPORTING

The Company’s operations falls under single segment namely “Manufacturing of Auto Components”, taking into account the risks and returns, the organization structure and the internal reporting systems. The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company’s performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of IND AS 108 “Operating Segments”.Segment revenue from “Manufacturing of Auto Components” represents revenue generated from external customers which is attributable to the Company’s country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from:		
Outside India	-	69.32
In India	132,242.27	158,076.24

All assets are located in the Company’s country of domicile i.e. India.

The Company’s significant revenues (more than 90%) are derived from single entity. The total revenue from such entities amounted to **₹ 1,25,388.62** (for the year ended March 31, 2023: ₹ 1,51,112.47) Lakhs

51 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

52 FINANCIAL INSTRUMENT DISCLOSURE

(a) Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company, safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Company monitors capital using a ratio of net debt to equity. For this purpose, net debt is defined as liabilities, comprising interest-bearing loans less cash and cash equivalents, other bank balances (including earmarked balances) and current investments. Equity comprises all components of equity.

The Company's gearing ratio, which is total borrowings divided by total capital employed is as below:

(Amount ₹ in Lakhs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Equity share capital	2,000.00	2,000.00
Other equity	39,018.61	37,255.82
Total equity (A)	**41,018.61**	**39,255.82**
Non-current borrowings	684.26	1,455.15
Current maturities of long term borrowings	781.20	1,636.79
Gross debt (B)	**1,465.47**	**3,091.94**
Gross debt as above	1,465.47	3,091.94
Less: Current investments	17,074.55	10,448.74
Less: Cash and cash equivalents	534.60	803.78
Less: Other balances with bank (including earmarked balances)	81.55	73.66
Net debt (C)	**(16,225.24)**	**(8,234.25)**
Gearing Ratio D = (C / A)	**-**	**-**

(b) Disclosures

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

The details of material accounting policies information, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 4(xvi),(xvii) and (xviii).

(i) Financial assets and liabilities

The following tables presents each category of financial assets and liabilities as at March 31, 2024 and March 31, 2023.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
I.	**Financial assets**		
	Measured at fair value through profit or loss (FVTPL)		
	Investments in mutual funds	17,074.55	10,448.74
	Measured at amortised cost		
	Trade and other receivables	19,583.07	34,794.99
	Cash and cash equivalents	534.60	803.78
	Other bank balances	81.55	73.66
	Deposits	641.99	137.79
	Other financial assets	29.39	26.75
	Measured at cost : Investments in subsidiary	3,001.93	3,001.93
	Total	**40,947.07**	**49,287.64**
II.	**Financial Liabilities**		
	Measured at amortised cost		
	Long term borrowings	684.26	1,455.15
	Short term borrowings	781.20	1,636.79
	Trade payables	12,613.59	23,189.02
	Lease Liabilities	934.62	1,193.95
	Other financial liabilities	1,430.86	1,327.22
	Total	**16,444.53**	**28,802.13**

(ii) Fair value measurement

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

Fair value hierarchy

Following table gives information about how the fair values of the Company's financial assets are determined:

(Amount ₹ in Lakhs)

Financial assets	Fair value as at		Fair value
	March 31, 2024	March 31, 2023	hierarchy
Investment in mutual funds	**17,074.55**	10,448.74	Level 1

Valuation technique and key input: NAV declared by respective asset management companies.

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

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

There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2024 and March 31, 2023.

(iii) Financial risk management objectives

The Company's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include mutual funds, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

(a) Market risk

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

(I) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities as of balance sheet are as follows:

(Amount ₹ in Lakhs)

Foreign currency exposure	**Currency**	**As At March 31, 2024**	**As At March 31, 2023**
Financial Assets	**USD**	**45.63**	87.31
	Euro	**0.04**	0.04
Total		**45.67**	87.35
Financial Liabilities	**USD**	**14.07**	12.40

The Company has not entered in to any forward contracts to hedge its foreign exposures and therefore there are no outstanding forward contract at the year end (as at March 31, 2023: Nil)

Foreign currency sensitivity:

The Company is principally exposed to foreign currency risk against USD/EURO. Sensitivity of profit or loss arises mainly from USD/EURO denominated receivables and payables.As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD/EURO-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the year end is presented below:

(Amount ₹ in Lakhs)

	For the year ended March 31, 2024	**For the year ended March 31, 2023**
USD sensitivity at year end		
Assets		
Weakening of INR by 5%	2.38	4.37
Strengthening of INR by 5%	(2.28)	(4.37)
Liabilites		
Weakening of INR by 5%	(0.70)	(0.62)
Strengthening of INR by 5%	0.70	0.62

(II) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from the long term borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost.

The Company invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk.

The Company has laid policies and guidelines including tenure of investment made to minimize impact of interest rate risk.

(III) Price risk

The Company has deployed its surplus funds into units of mutual fund. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in liquidity and credit quality of underlying securities.

NAV price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower:

Profit for the year ended March 31, 2024 would increase/decrease by ₹ 170.47 Lakhs (for the year ended March 31, 2023: increase/decrease by ₹ 104.47 Lakhs).

(IV) Commodity Price Risk:

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of automotive parts.

(b) Credit risk

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

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

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed as under:

(Amount ₹ in Lakhs)

Particulars	As At March 31, 2024	As At March 31, 2023
Within the credit period	18,642.24	34,617.57
Upto 6 months past due	939.59	228.37
More than 6 months past due	72.08	19.88
Total	**19,653.91**	34,865.83

The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information.

(c) Liquidity risk

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

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

(Amount ₹ in Lakhs)

Particulars	1 month -1 year	1 year – 3 years	More than 3 years
As at March 31, 2024			
Long term borrowings	**781.20**	**684.26**	**-**
Trade payables	**12,613.6**	-	-
Lease liabilities	**307.09**	**398.85**	**228.65**
Other financial liabilities	**1,347.53**	**-**	**83.33**
Total	**15,049.41**	**1,083.11**	**311.98**
As at March 31, 2023			
Long term borrowings	1,636.79	1,202.24	252.90
Trade payables	23,189.02	-	-
Lease liabilities	271.42	522.52	400.01
Other financial liabilities	1,243.89	-	83.33
Total	**26,341.12**	**1,724.76**	**736.24**

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

(Amount ₹ in Lakhs)

Particulars	1 month -1 year	1 year – 3 years	More than 3 years
As at March 31, 2024			
Trade and other receivables	**19,583.07**	-	-
Investments in mutual funds	**17,074.55**	-	-
Deposits	**500.00**	**-**	**141.99**
Other financial assets	**29.39**	-	-
Total	**37,187.00**	**-**	**141.99**
As at March 31, 2023			
Trade and other receivables	34,794.99	-	-
Investments in mutual funds	10,448.74	-	-
Deposits	**-**	**-**	137.79
Other financial assets	26.75	-	-
Total	**45,270.48**	**-**	**137.79**

The Company has access to committed credit facilities as described below, of which ₹ 7,772.36 (as at March 31, 2023 ₹ 9,253.93) Lakhs were unused at the end of the reporting year . The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(Amount ₹ in Lakhs)

Unsecured bank overdraft facility, reviewed annually and payable at call	As at March 31, 2024	As at March 31, 2023
Amount used	1,645.18	3,271.64
Amount unused	7,931.82	7,772.36

53 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD -115 ARE GIVEN BELOW

(i) The Company derives revenues from sale of goods, scrap and services from its contracts with customers. The revenues have been disclosed in Note No.37 "Revenue from Operations".

The revenues are further disaggregated into revenues from domestic as well as export market. Refer Note No. 50 "Segment Reporting" for details.

(ii) The Company does not have any contract asset. The opening and closing balances of trade receivables and Contract liability are as under:

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables (Refer Note 16)	**19,583.07**	34,794.99
Contract liability (Refer Note 35)		
- Advances from customers	**185.16**	117.00

(iv) There is no transaction price which is yet to be recognized on account of remaining outstanding performance obligation.

54 AGEING :

A Trade receivables ageing schedules

(Amount ₹ in Lakhs)

FY 2023-24

Sr. No.	Particulars	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	Trade receivables							
(i)	Considered good – Unsecured						-	
(a)	Undisputed Trade receivables	18,642.24	939.59	1.24	-	-	-	**19,583.07**
(b)	Disputed Trade receivables						-	
(ii)	Trade Receivables – credit impaired						-	
(a)	Undisputed Trade receivables			50.96			19.88	**70.84**
(b)	Disputed Trade receivables						-	
	Less: Impairment for doubtful trade receivables			50.96			19.88	**70.84**
	TOTAL	**18,642.24**	**939.59**	**1.24**	**-**	**-**	**-**	**19,583.07**

Trade receivables ageing schedules

(Amount ₹ in Lakhs)

FY 2022-23

Sr. No.	Particulars	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	Trade receivables							
(i)	Considered good – Unsecured						-	
(a)	Undisputed Trade receivables	34,617.57	177.41					**34,794.99**
(b)	Disputed Trade receivables						-	
(ii)	Trade Receivables – credit impaired						-	
(a)	Undisputed Trade receivables	50.96				3.03	16.85	**70.84**
(b)	Disputed Trade receivables						-	
	Less: Impairment for doubtful trade receivables	50.96				3.03	16.85	**70.84**
	TOTAL	**34,617.57**	**177.41**	**-**	**-**	**-**	**-**	**34,794.99**

B Trade payables ageing schedules **(Amount ₹ in Lakhs)**

Sr. No.	Particulars	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
FY 2023-24								
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)	-	-	-	-	-	-	-
	- Disputed dues	-	-	-	-	-	-	-
	- Undisputed dues	285.03	13.68	3.39		-		**302.10**
	Total of (1)	**285.03**	**13.68**	**3.39**	**-**	**-**	**-**	**302.10**
2	(i) Dues to others							
	- Disputed dues							
	- Undisputed dues	11,308.43	826.84	17.48	54.23	23.75	80.76	12,311.49
	Total of (2)	**11,308.43**	**826.84**	**17.48**	**54.23**	**23.75**	**80.76**	**12,311.49**
	Grand total (1+2)	**11,593.46**	**840.52**	**20.87**	**54.23**	**23.75**	**80.76**	**12,613.59**
FY 2022-23								
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)	-	-	-	-	-	-	-
	- Disputed dues	-	-	-	-	-	-	-
	- Undisputed dues	3,394.43	40.80	-	-	-	6.82	**3,442.05**
	Total of (1)	**3,394.43**	**40.80**	**-**	**-**	**-**	**6.82**	**3,442.05**
2	(i) Dues to others							
	- Disputed dues							
	- Undisputed dues	17,135.87	2,445.61	62.67	23.39	18.07	61.35	**19,746.96**
	Total of (2)	**17,135.87**	**2,445.61**	**62.67**	**23.39**	**18.07**	**61.35**	**19,746.96**
	Grand total (1+2)	**20,530.31**	**2,486.41**	**62.67**	**23.39**	**18.07**	**68.18**	**23,189.02**

55 RATIOS :

Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.81	1.50	21.13%	
Debt- equity ratio	Total debt	Shareholder's equity	0.04	0.08	-54.64%	Repayment of Debt
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & lease payments + Principal repayments	5.35	4.15	28.96%	Due to increase in profit
Return on equity ratio	Net profits after taxes – Preference dividend	Average shareholder's equity	9.83%	18.04%	-45.48%	Due to exceptional profit in previous year
Inventory turnover ratio	Cost of goods sold	Average inventory	24.12	31.77	-24.10%	
Trade receivable turnover ratio	Net credit sales = Gross credit sales - Sales return	Average trade receivable+ Provision for rate adjustment relating to customer	5.96	6.98	-14.60%	
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - Purchase return	Average trade payables	6.68	7.04	-5.11%	
Net capital turnover ratio	Net sales = Total sales - Sales return	Working capital = Current assets – Current liabilities	6.69	9.13	-26.70%	Reduction in Sales Turnover & reduction in Working Capital
Net profit ratio	Net profit	Net sales = Total sales - Sales return	2.98%	4.16%	-28.19%	Due to exceptional profit in previous year
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible net worth + Total debt + Deferred tax liability	14.76%	11.50%	28.33%	Due to increase in profit
Return on investment	Interest (finance income)	Average investment	21.86%	8.86%	146.80%	Due to unrealised gain on Fair Value of Investment

56 **Relationship with Struck Off Companies**
Details on Relationships with Struck Off Companies

(Amount ₹ in Lakhs)

Name of the struck off company	Nature of transactions with struck off company	31-Mar-24 Balance outstanding	31-Mar-24 Relationship with the struck off company, if any	31-Mar-23 Balance outstanding	31-Mar-23 Relationship with the struck off company, if any
Aeiforos Technologies Pvt Ltd	Receivables	8.60	NA	8.60	NA
Corporate Designz Private Limited	Receivables	0.03	NA	0.03	NA
Kay Jay Leasing Ltd	Shares held by struck off company	0.01	NA	0.01	NA
K S M Investments Pvt Ltd	Shares held by struck off company	0.13	NA	0.13	NA
Vaishak Shares Limited	Shares held by struck off company	0.00*	NA	0.00	NA
J V A Enterprises Private Ltd.	Shares held by struck off company	0.08	NA	0.08	NA
Idafa Investments Private Ltd	Shares held by struck off company	0.00*	NA	0.00	NA
Dreams Broking Pvt Ltd	Shares held by struck off company	0.00*	NA	0.00	NA
Arihant Cap.Mkts Ltd	Shares held by struck off company	0.00*	NA	0.00	NA

* Amount is below rounding off norms adopted by the Company

57 **RELATED PARTY DISCLOSURES**

(a) **Name of related parties and description of their relationships are as under:**

(A) Holding Company:

Thakurdevi Investments Private Limited

(B) Key Managerial Personnel:

Mr. Sudhir Kumar Munjal	Chairman and Managing Director
Mrs. Anju Munjal	Whole-time Director
Mr. Anuj Munjal	Whole-time Director
Mr. B. P. Yadav	Chief Financial Officer
Mr. Rakesh Johari	Company Secretary
Mr. Vikram Shah	Independent Director
Mr. Naresh Kumar Chawla	Independent Director
Mr. Mahendra Sanghvi	Independent Director
Mr. Ramkisan Devidayal	Independent Director
Mr. Sudesh Kumar Duggal	Independent Director
Mr. Jal Ratanshaw Patel	Independent Director
Ms. Avi Sabavala	Independent Director

(C) Enterprise in which Directors and their relatives are directors/ partners / members / trustees:

Sara Training and Education LLP
Sara Investment Services Private Limited
Sara Investments
Sudhir Kumar & Sons HUF
Accelerated Learning Edutech Private Limited
Fetlock Traders Private Limited
Inder Mohini Bhasin Charitable Foundation
Munjal Auto Industries Limited Employees Gratuity Trust Account
Munjal Auto Industries Limited Employees Superannuation Trust Account

(D) Subsidiary Company:

Indutch Composites Technology Private Limited

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

(Amount ₹ in Lakhs)

Nature of Transaction	Holding Company	Subsidiary Company	Key Managerial personnel	Enterprise in which directors and their relatives are directors	Total
Remuneration Expense	-	-	**1,574.80**	-	**1,574.80**
	-	-	(1,568.49)	-	(1,568.49)
Mr. Sudhir Kumar Munjal	-	-	**544.34**	-	**544.34**
	-	-	(544.34)	-	(544.34)
Mrs. Anju Munjal	-	-	**476.30**	-	**476.30**
	-	-	(476.30	-	(476.30)
Mr. Anuj Munjal	-	-	**476.30**	-	**476.30**
	-	-	(476.30	-	(476.30)
Mr. B. P. Yadav	-	-	**45.49**	-	**45.49**
	-	-	(42.12)	-	(42.12)
Mr. Rakesh Johari	-	-	**32.39**	-	**32.39**
	-	-	(29.44)	-	(29.44)
Sitting fees Expense	-	-	**28.04**	-	**28.04**
	-	-	(32.12)	-	(32.12)
Mr. Vikram Shah	-	-	**4.94**	-	**4.94**
	-	-	(5.22)	-	(5.22)
Mr. Naresh Kumar Chawla	-	-	**5.90**	-	**5.90**
	-	-	(6.30)	-	(6.30)
Mr. Mahendra Sanghvi	-	-	**1.40**	-	**1.40**
	-	-	(3.20)	-	(3.20)
Mr. Ramkisan Devidayal	-	-	**4.10**	-	**4.10**
	-	-	(4.50)	-	(2.804.50)
Mr. Sudesh Kumar Duggal	-	-	**5.00**	-	**5.00**
	-	-	(5.40)	-	(5.40)
Mr. Jal Ratanshaw Patel	-	-	**4.10**	-	**4.10**
	-	-	(4.50)	-	(4.50)
Ms. Avi Sabavala	-	-	**2.60**	-	**2.60**
	-	-	(3.00)	-	(3.00)
Dividend Paid	**1,496.13**	-	-	-	**1,496.13**
	(748.06)	-	-	-	(748.06)
Thakurdevi Investments Private Limited	**1,496.13**	-	-	-	**1,496.13**
	(748.06)	-	-	-	(748.06)
Rent Expense	-	-	**210.65**	-	**210.65**
	-	-	(209.05)	-	(209.05)
Sara Investments	-	-	**210.65**	-	**210.65**
	-	-	(209.05)	-	(209.05)
Unsecured Loan Given	-	**650.00**	-	-	**650.00**
	-	(800.00)	-	-	(800.00)
Indutch Composites Technology Private Limited	-	**650.00**	-	-	**650.00**
	-	(800.00)	-	-	(800.00)

(Amount ₹ in Lakhs)

	Nature of Transaction	Holding Company	Subsidiary Company	Key Managerial personnel	Enterprise in which directors and their relatives are directors	Total
	Interest Income	-	**47.91**	-	-	**47.91**
		-	(27.85)	-	-	(27.85)
	Indutch Composites Technology Private Limited	-	**47.91**	-	-	**47.91**
		-	(27.85)	-	-	(27.85)
	Rent Income	-	**683.58**	-	-	**683.58**
		-	(657.29)	-	-	(657.29)
	Indutch Composites Technology Private Limited	-	**683.58**	-	-	**683.58**
		-	(657.29)	-	-	(657.29)
	Unsecured Loan Received back	-	**150.00**	-	-	**150.00**
		-	(800.00)	-	-	(800.00)
	Indutch Composites Technology Private Limited	-	**150.00**	-	-	**150.00**
		-	(800.00)	-	-	(800.00)
	Maintenance services and professional advice	-	**9.45**	-	-	**9.45**
		-	-	-	-	-
	Indutch Composites Technology Private Limited	-	**9.45**	-	-	**9.45**
		-	-	-	-	-
	Purchase / Job Work Activity	-	**4.72**	-	-	**4.72**
		-	-	-	-	-
	Indutch Composites Technology Private Limited	-	**4.72**	-	-	**4.72**
		-	-	-	-	-
(c)	**Balance as at the year end :**	-	-	**39.51**	-	**39.51**
	Remuneration payable	-	-	(52.78)	-	(52.78)
	Mr. Sudhir Kumar Munjal	-	-	**13.49**	-	**13.49**
		-	-	(20.10)	-	(20.10)
	Mrs. Anju Munjal	-	-	**9.64**	-	**9.64**
		-	-	(11.31)	-	(11.31)
	Mr. Anuj Munjal	-	-	**11.60**	-	**11.60**
		-	-	(17.70)	-	(17.70)
	Mr. B. P. Yadav	-	-	**2.60**	-	**2.60**
		-	-	(2.38)	-	(2.38)
	Mr. Rakesh Johari	-	-	**2.17**	-	**2.17**
		-	-	(1.28)	-	(1.28)
	Deposit received refundable	-	**83.33**	-	-	**83.33**
		-	(83.33)	-	-	(83.33)
	Indutch Composites Technology Private Limited	-	**83.33**	-	-	**83.33**
		-	(83.33)	-	-	(83.33)
	Rent receivable	-	**213.61**	-	-	**213.61**
		-	(202.48)	-	-	(202.48)
	Indutch Composites Technology Pvt. Ltd.	-	**213.61**	-	-	**213.61**
		-	(202.48)	-	-	(202.48)

(Amount ₹ in Lakhs)

Nature of Transaction	Holding Company	Subsidiary Company	Key Managerial personnel	Enterprise in which directors and their relatives are directors	Total
Unsecured Loan Receivable	**-**	**500.00**	**-**	**-**	**500.00**
	-	-	-	-	-
Indutch Composites Technology Pvt. Ltd.	-	500.00	-	-	500.00
	-	-	-	-	-

Amounts in brackets indicate previous year figures.

(c) Category-wise break up of compensation to key management personnel during the year is as follows:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short-term employee benefits	1,389.68	1,384.03
Post-employment benefits (excluding leave encashment)	185.12	184.46

(d) Terms and conditions of transactions with related parties:

(i) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

(ii) There is no allowance account for impaired receivables in relation to any outstanding balances and no expense has been recognised in respect of impaired receivables due from related party.

(iii) All Outstanding balances payable / receivable at the year end are unsecured and will be settled in cash.

58 Additional regulated information required by Schedule III to the Companies Act 2013;

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

(b) The Company does not have any Benami property held in its name and no proceedings have been initiated or pending against the Company for holding any Benami property.

(c) (A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

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

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

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

(d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(e) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(f) The company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority during the year.

(g) The title deeds including agreements for all the immovable properties including leasehold land are in the name of the Company.

(h) Borrowings are made from banks/ FI on the basis of security of current asset. The returns or statements viz. Financial follow-up report/Financial report filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the said period.

(i) The Company has complied with the number of layers of companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

59 The Board of Directors have considered and recommended a dividend @ 100% i.e. ₹ 2 per equity share on face value of ₹ 2 per equity share for the financial year 2023-24 subject to approval of members of the Company.

60 The standalone financial statement of the Company are approved by the Board of Directors in the meeting held on May 24, 2024.

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Vadodara
Date : May 24, 2024

INDEPENDENT AUDITOR'S REPORT

To
THE MEMBERS OF
MUNJAL AUTO INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Munjal Auto Industries Limited** ("the Holding Company" or "the Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"),which comprise of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss including consolidated other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements and on the other financial information of the subsidiary as referred to in the "Other Matter", the aforesaidconsolidatedfinancial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31,2024, ofconsolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and theirconsolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements 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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Groupin 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics.

We believe that the audit evidence we have obtained,and the audit evidence obtained by the other auditor in terms of their report referred to at the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to note45 Exceptional items in the consolidated financial statement in respect to Subsidiary Company, stating the brief of loss due to floods at the subsidiary company's Sullurpeta Plant (Andhra Pradesh) and regarding contingency towards the adhoc claim amount received and being adjusted against company's own loss, which may also invite claim towards the loss of asset/inventory held in trust, due to the uncertainty of claim settlement at current stage to be read with note 20 towards event after balance sheet date for the adhoc amount received.

Our opinion is not modified in respect of above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How our audit addressed the key audit matters
1.	<u>**Recording of price adjustments and their impact on revenue recognition:**</u> (Refer to note 37 to the Consolidated Financial Statements) Revenue is measured by the Group at the transaction price i.e. amount of consideration received/ receivable from its customers. In determining the transaction price for the sale of products, the Group considers the effects of price adjustments: - to be passed on to the customers, or;	<u>**Principal Audit Procedures**</u> Our audit procedures included the following: • Assessed the Group's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115; • Obtained understanding of the revenue process, and the assumptions used by the management in the process

	- to be recovered from the customers, based on various parameters like negotiations, savings/escalations on/of cost of input materials etc. for the sales made by the Group. The Group, computes the impact of such price adjustments to be recovered from/passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors. The estimated assets and liabilities on this account at the year-end is shown as Contract Liabilities under note 54 to the Consolidated Financial Statements and with its consequentially impacts the revenue appearing in note 37 to the Consolidated Financial Statements. We have considered this as a key audit matter on account of the significant judgement and estimate involved in calculation of price adjustments to be recorded as at the year end.	of calculation of price adjustments as per customer contracts, including design and implementation of controls, testing of management review controls and tested the operating effectiveness of these controls; • Evaluated management's methodology and assumptions used in the calculations of price adjustments as per customer contracts; • Tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts; ***Conclusion:*** Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation, and disclosure of the subject matter in Consolidated Financial Statements.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report and Shareholder's Information but does not include the consolidated financial statements and our Auditors' 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, and report of the other auditors as furnished to us (refer "Other Matter" section below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Groupare also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether theconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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 consolidated financial statements of the current year 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.

Other Matter

We did not audit the financial statements of a subsidiary included in the Consolidated Financial Statements, whose financial statements reflect total assets of Rs. 58,358.07 lakhs as at March 31, 2024 and total revenue of Rs. 55,937.91 lakhs for the year ended March 31, 2024, total net profit/(loss) of Rs. Rs. (214.26) lakhs for the year ended March 31, 2024 and total comprehensive income/(loss) of Rs. (183.32) lakhs for the year ended March 31, 2024 and net cash inflows of Rs. 6.59 lakhs for the year ended March 31, 2024 as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of other auditor and the procedures performed by us are as stated in paragraph above.

These financial statements have been audited by other auditor whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditor on separate financial statements and on the other financial information of subsidiary as noted in "Other Matter" paragraph above, we report, to the extent applicable, that:

   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditorexcept for the matters stated in paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.;

   c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accountand records maintained for the purpose of preparation of the consolidated financial statements;

   d. in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   e. on the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.;

   f. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(a) above on reporting under Section 143(3)(b) of the Act and paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. with respect to the adequacy of the internal financial controls with reference to consolidated financialstatements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

   h. with respect to the other matters to be included in the Auditors' Report in accordance with the 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 and based on the consideration of report of other auditor on separate financial statements, the remuneration paid by the Holding Company and subsidiary company incorporated in India to whom section 197 is applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act: and

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

      i. the Consolidatedfinancial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 47to the consolidated financial statements;

      ii. the Group did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2024;

      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year.

      iv. (a) the respective Managements of the Company and its subsidiary whose financial statements have been audited under the Act, have represented that, as disclosed in the note 59(c) to the consolidated financial statements, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or subsidiary toor in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiary whose financial statements have been audited under the Act, have represented to us that, as disclosed in the note 59(c) to the consolidated, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiary whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in the Note 60 to the consolidated financial statements,

(a) The dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with section 123 of the Companies Act 2013.

(b) The Board of Directors of the Holding Company has proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. **The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023.**

Based on our examination which included test checks and as communicated by the auditor of subsidiary company, except for the instance mentioned below, have used accounting software for maintaining its books of account which has a feature of recoding audit trail (edit log) facility and the same has operated through the year for all relevant transactions recorded in the respective software.

In case of a subsidiary company, as communicated by the auditor of such subsidiary, the feature of recording audit trail (edit log) facility has not been fully implemented with effect from April 1, 2023 for all relevant transactions recorded in the accounting software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with

Section 128(5) of the Act requires books of account to be preserved for a minimum period of 8 years and hence the Holding Company and Subsidiary company would need to retain audit trail for minimum period of 8 years. This would be relevant from the 2nd year i.e. FY 2024-2025.

2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by its subsidiary's auditorincluded in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO report.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027
UDIN: 24045027BKCXHV7386

Place : Vadodara
Date : May 24, 2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Reporton Other Legal and Regulatory Requirements' section of our report to the Members of **Munjal Auto Industries Limited** on the consolidated financial statements of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to consolidated financial statements of Munjal Auto Industries Limited ("the Holding Company") and its subsidiary company as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtainedand the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion, the Holding Company and its subsidiary, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to subsidiary company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary.

Our opinion is not modified in respect of this matter.

For K C Mehta & Co LLP
Chartered Accountants
Firm's Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027
UDIN: 24045027BKCXHV7386

Place : Vadodara
Date : May 24, 2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(Amount ₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	6	**23,736.52**	24,087.54
(b) Capital work-in-progress	7	**851.17**	817.21
(c) Investment Property	8	**130.43**	-
(d) Goodwill on consolidation		**46.05**	46.05
(e) Other Intangible Assets	9	**149.28**	86.48
(f) Right of Use Assets	10	**15,870.89**	17,362.18
(g) Financial Assets			
(i) Deposits	11	**1,639.87**	1,563.90
(g) Deferred Tax Assets (Net)	12	**1,295.84**	919.17
(h) Other non-current assets	13	**1,730.66**	1,655.36
Total Non-Current Assets		**45,450.71**	46,537.89
(2) Current Assets			
(a) Inventories	14	**20,880.67**	20,823.96
(b) Financial assets			
(i) Investments	15	**17,074.55**	10,448.74
(ii) Trade receivables	16	**27,659.08**	43,732.13
(iii) Cash and cash equivalents	17	**551.52**	814.12
(iv) Other Bank Balances	18	**690.15**	481.54
(v) Loan	19	**-**	140.17
(vi) Other Financial assets	20	**5,036.91**	141.45
(c) Current tax assets (net)	21	**173.92**	618.95
(d) Other current assets	22	**3,101.21**	2,661.30
(e) Non-Current Assets held for Sale	23	**1,164.27**	1,164.27
Total Current Assets		**76,332.28**	81,026.63
Total Assets		**121,782.99**	1,27,564.52
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	24	**2,000.00**	2,000.00
(b) Other equity	25	**38,119.32**	36,433.42
Equity attributable to owners of the Parent		**40,119.32**	38,433.42
(c) Non controlling interest	26	**967.80**	1,003.99
Total Equity		**41,087.12**	39,437.41
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	27	**1,834.34**	3,188.53
(ii) Lease Liabilities	28	**15,241.17**	15,972.97
(iii) Other Financial Liabilities	29	**1,975.00**	2,812.50
(b) Provisions	30	**1,912.39**	1,259.83
(c) Deffered tax liability (net)	12	**1,897.22**	720.67
Total Non-Current Liabilities		**22,860.12**	23,954.50
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	31	**8,169.34**	6,589.17
(ii) Lease Liabilities	32	**2,386.04**	2,411.03
(iii) Trade payables	33		
(A) Due to micro enterprises and small enterprises		**822.15**	3,982.45
(B) Due to other than micro enterprises and small enterprises		**23,723.46**	27,213.00
(iv) Other financial liabilities	34	**1,430.28**	3,098.76
(b) Other current liabilities	35	**14,905.45**	15,252.29
(c) Provisions	36	**6,399.03**	5,625.91
Total Current Liabilities		**57,835.75**	64,172.61
Total Equity and Liabilities		**1,21,782.99**	1,27,564.52
Material accounting policies information and notes to consolidated financial statements	1-61		

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Gurugram
Date : May 24, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(Amount ₹ in Lakhs)

	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	37	**188,176.18**	1,98,428.79
II	Other income	38	**3,606.54**	1,274.33
III	**Total income (I+II)**		**191,782.72**	1,99,703.12
IV	**EXPENSES**			
	Cost of raw materials consumed	39	**130,265.69**	1,57,431.01
	Changes in inventories of finished goods and work-in-progress	40	**1,857.65**	(6,799.78)
	Employee Benefits Expense	41	**18,536.44**	16,867.34
	Finance Costs	42	**2,751.97**	2,706.08
	Depreciation and amortization expense	43	**5,571.97**	5,301.90
	Other Expenses	44	**25,482.45**	21,936.12
	Total expenses (IV)		**184,466.17**	1,97,442.67
V	**Profit before Tax & Exceptional Items (III-IV)**		**7,316.55**	2,260.45
VI	**Exceptional Items (refer note no. 45)**		**(1,192.81)**	4,764.68
VII	**Profit before Tax (V + VI)**		**6,123.74**	7,025.13
VIII	**Tax expenses**	46		
	(a) Current tax relating to:			
	- current year		**1,806.15**	2,570.32
	- earlier years		**82.98**	149.27
	(b) Deferred tax		**431.68**	(856.51)
IX	**Profit for the year (VII-VIII)**		**3,802.93**	5,162.05
X	**Other Comprehensive Income (OCI)**			
	Items that will not be reclassified to profit or loss			
	(i) Re-measurement of the defined benefit plans		**(236.61)**	122.19
	- tax impact		**83.41**	(41.99)
			(153.21)	80.20
XI	**Total comprehensive income for the year (VII+VIII)**		**3,649.73**	5,242.25
	Profit for the year attributable to:			
	- Owners of the Company		**3,849.01**	5,613.50
	- Non-controlling interests		**(46.08)**	(451.45)
			3,802.93	5,162.05
	Other comprehensive income for the year :			
	- Owners of the Company		**(163.11)**	70.49
	- Non-controlling interests		**9.90**	9.71
			(153.21)	80.20
	Total comprehensive income for the year :			
	- Owners of the Company		**3,685.91**	5,684.00
	- Non-controlling interests		**(36.18)**	(441.75)
			3,649.73	5,242.25
XII	**Earnings per equity share**			
	Basic and diluted (in ₹)	48	**3.85**	5.61
	Material accounting policies information and notes to consolidated financial statements	1-61		

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Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
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Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Gurugram
Date : May 24, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. EQUITY SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	
Balance as on March 31, 2022	2,000.00
Changes in equity share capital during the year	-
Balance as on March 31, 2023	**2,000.00**
Changes in equity share capital during the year	-
Balance as on March 31, 2024	**2,000.00**

B. OTHER EQUITY

(Amount ₹ in Lakhs)

Particulars	Reserves and surplus			Other comprehensive income	Attributable to owners of the Company	Non-controlling interest	Total
	Capital reserve	General reserve	Retained earnings	Re-measurement of defined benefit plans			
Balance as at 31st March, 2022	**2.09**	**1,848.73**	**29,833.74**	**64.85**	**31,749.41**	**1,445.74**	**33,195.15**
Profit for the year	-	-	5,613.50	-	5,613.50	(451.45)	5,162.05
Re-measurement of defined benefit plans (net of tax)	-	-	-	70.49	70.49	9.71	80.20
Total comprehensive income for the year	**-**	**-**	**5,613.50**	**70.49**	**5,683.99**	**(441.75)**	**5,242.25**
Transactions with owners of the Parent							
Payment of dividend	-	-	1,000.00	-	1,000.00	-	1,000.00
Tax on dividend	-	-	-	-	-	-	-
Total Distributions	**-**	**-**	**1,000.00**	**-**	**1,000.00**	**-**	**1,000.00**
Balance as at March 31, 2023	**2.09**	**1,848.73**	**34,447.25**	**135.35**	**36,433.42**	**1,003.99**	**37,437.40**
Profit for the year	-	-	3,849.01	-	3,849.01	(46.08)	3,802.93
Re-measurement of defined benefit plans (net of tax)	-	-	-	(163.11)	(163.11)	9.90	(153.21)
Total comprehensive income for the year	**-**	**-**	**3,849.01**	**(163.11)**	**3,685.90**	**(36.18)**	**3,649.72**
Transactions with owners of the Parent							
Payment of dividend	-	-	2,000.00	-	2,000.00	-	2,000.00
Total Distributions	**-**	**-**	**2,000.00**	**-**	**2,000.00**	**-**	**2,000.00**
Balance as at March 31, 2024	**2.09**	**1,848.73**	**36,296.26**	**(27.76)**	**38,119.32**	**967.80**	**39,087.12**

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Gurugram
Date : May 24, 2024

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(Amount ₹ in Lakhs)

		Consolidated	
		31-Mar-24 Audited	31-Mar-23 Audited
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**6,123.74**	7,025.13
	Adjustments for:		
	Depreciation and amortisation expense	**5,571.97**	5,301.89
	Finance Cost (excluding interest on lease liabilities and unwinding)	**1,255.33**	936.46
	Loss / (Gain) on Property, Plant and Equipment sold/discarded (net)	**(19.34)**	(4,702.27)
	Unwinding of discount on provisions	**26.71**	24.65
	Interest on lease liabilities	**1,469.93**	1,740.45
	Re-measurement of Defined benefit plans	**(236.61)**	50.01
	Interest Income	**(34.42)**	(59.27)
	Dividend Income	**(79.35)**	-
	Rental Income	**(2.82)**	-
	Net Profit on sale of Current Investments	**(473.44)**	(579.42)
	Net gain on investments carried at fair value through Profit or Loss	**(2,455.98)**	9.30
	Provision for Bad Debts & writen offs (net off reversals)	**-**	67.42
	Sundry balances written back (net)	**(0.60)**	(84.69)
	Unrealised foreign exchange (gain)/loss (Net)	**3.64**	(2.19)
	Modification (gain)/loss on lease assets / liabilities	**(0.27)**	-
	Operating profit before working capital changes	**11,148.49**	9,727.47
	Adjustment for (increase)/decrease in operating assets		
	Inventories	**(56.71)**	(9,659.99)
	Trade Receivables	**16,071.02**	(5,028.78)
	Other Financial Assets	**(4,831.26)**	26.55
	Other Assets	**(46.70)**	(1,607.04)
	Adjustment for increase/(decrease) in operating liabilities		
	Trade payables	**(6,649.84)**	6,122.55
	Provisions	**1,398.42**	(6,717.04)
	Other Liabilities	**(2,854.67)**	12,324.89
	Cash flow from operations after changes in working capital	**14,178.76**	5,188.60
	Net Direct Taxes (Paid)/Refunded	**(1,461.20)**	(1,851.16)
	Net Cash Flow from/(used in) Operating Activities	**12,717.56**	3,337.44
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment including capital advances & CWIP	**(4,103.52)**	(2,938.42)
	Proceeds from Sale of Property, Plant and Equipment	**166.00**	4,774.10
	Purchase of Investments	**(1,78,991.14)**	(2,20,083.16)
	Sale of Investments	**1,75,374.11**	2,21,931.88
	Interest Income	**34.42**	69.85
	Rental Income	**2.82**	-
	Placement of deposit with banks	**(207.88)**	(41.15)
	Net cash generated (used in) investing activities	**(7,725.20)**	3,713.09

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024 (Continued)

(Amount ₹ in Lakhs)

	Consolidated	
	31-Mar-24 Audited	**31-Mar-23 Audited**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	**401.75**	190.78
Repayment of Borrowings	**(2,709.78)**	(2,136.44)
Payment of dividend	**(2,000.00)**	(1,000.00)
Payment of Lease Liabilities (including interest)	**(2,226.72)**	(3,372.79)
Net Increase/(Decrease) in Working Capital Borrowings	**2,534.01**	2,429.39
Finance cost	**(1,254.21)**	(2,600.21)
Net cash flow from/(used in) financing activities	**(5,254.95)**	(6,489.27)
Net increase/ (decrease) in cash and cash equivalents	**(262.60)**	561.26
Cash & cash equivalents at beginning of year (see Note 1)	**814.12**	252.86
Cash and cash equivalents at end of year (see Note 1)	**551.52**	814.12

Notes:

1 Cash and cash equivalents comprise of:		
Cash on hands	**12.76**	6.22
Balance with banks		
In Cash Credit Accounts	**484.51**	711.92
In Current Accounts	**54.31**	60.61
In Transit Cheques	**-**	35.00
Effect of unrealised Foreign Exchange (Gain) / Loss	**(0.06)**	0.37
Cash and cash equivalents	**551.52**	814.12

2 **Reconciliation of liabilities from financial activities:**

(Amount ₹ in Lakhs)

Particulars	Lease liabilities	Long-term borrowings	Short-term borrowings
Opening balance (23-24)	**18,384.00**	**5,501.57**	**4,276.12**
Opening balance (22-23)	2,312.04	7,447.23	1,846.73
Cash inflow / (outflow) (23-24)	**(2,226.72)**	**(2,308.03)**	**2,534.01**
Cash inflow / (outflow) (22-23)	(3,307.50)	(1,945.65)	2,429.39
Non cash changes (23-24)	**1,469.91**	**(14.57)**	**-**
Non cash changes (22-23)	19,379.46	-	-
Closing balance (23-24)	**17,627.21**	**3,178.97**	**6,810.13**
Closing balance (22-23)	18,384.00	5,501.57	4,276.12

As per our report of even date attached
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Partner
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Place : Vadodara
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Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Gurugram
Date : May 24, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Munjal Auto Industries Limited ('the Holding Company') is a public limited company domiciled and incorporated in India having its registered office at 187, GIDC Estate, Waghodia, District: Vadodara- 391760. The shares of the Holding Company are listed on two stock exchanges in India i.e. National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). As at March 31, 2024, Thakur Devi Investments Private Limited, the holding company owned 74.81% of the Company's equity share capital.

The Consolidated financial statements relates to the Company and its Subsidiary namely Indutch Composites Technology Private Limited (ICTPL) (collectively referred as "the Group"). The Group is mainly engaged in manufacturing and selling of Auto components and designing, developing, testing and production of different types of composites moulds and products for different industries.

2 APPLICATION OF NEW INDIAN ACCOUNTING STANDARDS

Recent accounting pronouncements

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

3 STATEMENT OF COMPLIANCE

i. The Consolidated Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

ii. Basis of preparation

These consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements are presented in Indian Rupees which is Company's presentation and functional currency and all amounts are rounded off to the nearest lakhs (up to two decimals) except when otherwise indicated.

iii. Operating cycle

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

4 MATERIAL ACCOUNTING POLICIES INFORMATION

i. Principles of consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiary (collectively referred as "the Group").

Subsidiary is entity controlled by the Company. The Company controls an entity when it is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is consolidated from the date of their acquisition (except for Business Combinations under Common Control), being the date on which the Company obtains control and continue to be consolidated until the date that such control ceases.

The Consolidated financial statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements except otherwise stated. Whenever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's Significant Accounting Policies.

The Consolidated Financial Statements have been prepared by combining the financial statements of the company and its subsidiary on a line-by-line basis by adding together the book values of like items of assets, liabilities, equity, income, expenses and cash flow after eliminating in full intra-group assets, liabilities, equity, income, expenses and cash flow relating to intra-group transactions and unrealized profits. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiary that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in the consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to the consolidated statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or the cost on initial recognition as investment in an associate or a joint venture, when applicable.

ii. Business combination

Acquisitions of businesses (except for Business Combinations under Common Control) are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 'Employee Benefits' respectively;
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained by the Group during the 'measurement period' about facts and circumstances that existed at the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period recognising additional assets or liabilities (if any) to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

iii. Non controlling interest

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders.

Non-controlling interests are initially measured at the proportionate share of the recognised amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

iv. Goodwill on consolidation

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

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

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the Profit and Loss.

v. Property, plant and equipment

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Freehold land is not depreciated.

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

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

In case of Holding Company, depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act. In case of a Subsidiary Company, depreciation is charged on a pro-rata basis at the written down value method over estimated economic useful lives of its property, plant and equipment. Estimated useful lives of these assets of group are as under:

Description	Years
Building	30-60
Leasehold improvements	over the lease period
Plant & machinery	15
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Computers	3

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

vi. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. In case of Holding Company, amortisation is recognised on a straight-line basis over a period of 3 to 10 years. However, in case of the Subsidiary Company, amortisation is recognised on written down value basis over the estimated lives of intangible assets. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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

vii. Impairment of tangible and intangible assets

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

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

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

viii. Non-current assets held for sale

The Group classifies Non-Current Assets as held for sale/disposal if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

ix. Inventories

Inventories other than scrap are stated at the lower of cost and net realisable value. Costs of inventories are determined on a moving weighted average. Finished goods and work-in-progress (along with Stock in transit) include appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Scrap is valued at estimated net realisable value.

In case of Holding Company, inventory of stores and spare parts is valued at weighted average cost or net realisable value, whichever is lower. However, in case of Subsidiary Company, inventory of stores and spare parts is valued at FIFO basis at cost or net realisable value, whichever is lower.

Provisions are made for obsolete and non-moving inventories.

x. Revenue & Other Income Recognition

The Group earns revenue primarily from sale of goods.

(a) Sale of goods

Revenues are recognized when the Group satisfies the performance obligation by transferring a promised goods to a customer. A good is transferred when the customer obtains control of that product, which is at the point of transfer of custody to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and represents amounts receivable for goods and services provided in the normal course of business, net off Goods and Services Tax (GST), etc. Any retrospective revision in prices is accounted for in the respective year to which such revision belongs.

Contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. Contract modification are accounted based on the prospective accounting and cumulative catch up. The Group accounts for a modification as a separate contract, if both the scope increases due to the addition of 'distinct' goods or services and the price increase reflects the goods' or services' stand-alone selling prices under the circumstances of the modified contract.

(b) Job work income

The Group provides job work services to its customers. Such services are sold separately and are not bundled together with the sale of Group's goods. Revenue from job work is accounted as and when such services are rendered.

(c) Dividend and interest income:

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

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

(d) Other income:

Other income is recognized on accrual basis except when realisation of such income is uncertain.

xi. Government grants

Government grants are recognized only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received. Government grants related to revenue are recognized on a systematic basis in the Consolidated Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

xii. Leases

As a lessee

The Group's lease assets primarily consist of leases for land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset;
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases and corresponding Right-of-use Asset . For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The Right-of-use Assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

Right-of-use Assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

As a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. The Group has leased out its Investment Property classifying such lease as an Operating Lease, because it does not transfer substantially all of the risks and rewards incidental to the ownership of such Investment Property. Note 4 (iv) sets out the information about the said Investment Property.

xiii. Foreign currency transactions

The functional currency of the Group is Indian Rupees which represents the currency of the primary economic environment in which it operates.

In preparing the consolidated financial statements of the Group, transactions in currencies other than the group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items (which includes advance received/paid) that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Consolidated Statement of Profit and Loss in the period in which they arise.

xiv. Borrowing costs

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

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

xv. Employee benefits

(a) Short-term employee benefits

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

(b) Post-employment Benefits

(1) Defined contribution plan

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

(2) Defined benefit plan

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

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

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

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

(c) Other long term employee benefits

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

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

xvi. Income taxes

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

(a) Current tax

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

(b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

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

(c) Current and deferred tax for the year

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

xvii. Provisions, contingent liabilities and contingent assets

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

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

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

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

Product warranty expenses

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to five years.

xviii. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Consolidated Statement of Profit and Loss.

xix. Financial assets

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

(a) Financial assets at amortised cost

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

(b) Equity investments at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income (FVTOCI) if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognized directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognized in the Consolidated Statement of Profit and Loss when the right to receive payment has been established.

When the equity investment is derecognized, the cumulative gain or loss in equity is transferred to retained earnings.

(c) Financial assets at fair value through profit or loss

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

(d) Impairment of financial assets

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

(e) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Consolidated Statement of Profit and Loss.

xx. Financial liabilities and equity instruments

Debt and equity instruments issued by Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(a) Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs'.

(b) Equity instruments

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

(c) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

xxi. Research and development expenditure

Expenditure of capital nature are capitalised and expenses of revenue nature are charged to the Consolidated Statement of Profit and Loss, as and when incurred.

xxii. Statement of cash flows

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Critical judgments in applying accounting policies

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

(a) Evaluation of indicators for impairment of property, plant and equipment:

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

(ii) Assumptions and key sources of estimation uncertainty

(a) Assets and obligations relating to employee benefits

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

(b) Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2021 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

(c) Estimation of provision for warranty

Management estimates the related provision for future warranty claims based on certain percentages of revenue. The provision is based on historical information on the nature, frequency and average cost of warranty claims. Management, also estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure which is generally expected to be settled within a period of 1 to 5 years.

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

(d) Provision for price differences

The group recognises price difference payable to parties, where settlement is pending for final negotiation. It is provided on the basis of best estimate and management assessments, considering the past trades and various other factors. This provisions are reviewed on regular basis and adjusted with respective elements with consolidated statement of profit and loss from the adequacy and reasonability point of view.

Revenue is measured by the Group at the transaction price i.e. amount of consideration received/receivable from its customers. In determining the transaction price for the sale of products, the Group considers the effects of various factors such as volume-based discounts, price adjustments to be passed on to the customers based on various parameters like negotiations based on savings on materials / share of business, rebates etc provided to the customers. The Group's business also requires passing on these credits related to price adjustments and others to the customers for the sales made by the Group. The Group, at the year end, has provided for such price adjustments to be passed on to the customers based on agreed terms, negotiations undertaken, commercial considerations and other factors. This requires significant judgement and estimate in calculating the price adjustments to be recorded as at the year end.

(e) Provision for slow moving and obsolete items in inventory valuation:

Inventories are measured at the lower of cost and net realizable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions to determine obsolete or excess inventories.

(f) Identification of leases, duration and value

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

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease and to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

(g) Deferred Tax

At each reporting date, the respective companies in the group assesses whether the realization of future tax benefits is sufficiently probable to recognize/carry forward deferred tax assets (including MAT credits). This assessment requires the use of significant estimates/assumptions with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates or projected future taxable income change or if changes in current tax regulations are enacted.

6 PROPERTY, PLANT AND EQUIPMENT

(Amount ₹ in Lakhs)

Particulars /Assets	Tangible assets								Total
	Freehold land	Building	Plant & equipment	Lease hold improve-ments	Furniture & fixtures	Vehicles	Office equipment	Computers	
Gross block									
At April 1, 2022	1,796.86	9,482.96	23,007.40	354.59	678.66	914.19	276.82	274.68	36,786.15
Additions	-	27.87	2,093.81	-	214.35	145.85	112.93	75.79	2,670.61
Deduction/Adjustments	-	-	104.89	-	-	48.67	-	3.64	157.20
At March 31, 2023	**1,796.86**	**9,510.83**	**24,996.32**	**354.59**	**893.01**	**1,011.37**	**389.75**	**346.83**	**39,299.56**
Additions	-	56.67	1,901.90	-	4.87	380.46	56.58	55.52	2,456.00
Deduction/Adjustments	-	183.07	273.47	-	32.55	16.48	6.80	24.37	536.73
At March 31, 2024	**1,796.86**	**9,384.43**	**26,624.75**	**354.59**	**865.33**	**1,375.35**	**439.53**	**377.98**	**41,218.83**
Accumulated depreciation									
At April 1, 2022	-	1,532.04	9,948.28	140.97	207.92	537.70	189.71	205.12	12,761.74
Charge for the year	-	319.08	1,869.38	38.46	89.02	114.05	42.24	63.42	2,535.65
Deduction/Adjustments	-	-	39.48	-	-	42.31	-	3.59	85.39
At March 31, 2023	**-**	**1,851.12**	**11,778.18**	**179.42**	**296.94**	**609.44**	**231.96**	**264.95**	**15,212.01**
Charge for the year	-	311.42	1,837.84	33.99	87.53	121.54	55.22	53.17	2,500.71
Deduction/Adjustments	-	45.88	130.12	-	10.02	13.49	6.53	24.37	230.41
At March 31, 2024	**-**	**2,116.66**	**13,485.90**	**213.44**	**374.45**	**717.50**	**280.64**	**293.75**	**17,482.31**
Net block									
At March 31, 2023	1,796.86	7,659.71	13,218.15	175.16	596.07	401.93	157.79	81.87	24,087.54
At March 31, 2024	**1,796.86**	**7,267.77**	**13,138.85**	**141.15**	**490.89**	**657.85**	**158.89**	**84.23**	**23,736.52**

Notes:

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

(ii) For details of property, plant and equipment given as security to lenders, refer Note No. 27.

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

(iv) Contractual obligations: Refer to note 47 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

7 CAPITAL WORK-IN-PROGRESS

(Amount ₹ in Lakhs)

Particulars /Assets	Total
At April 01, 2022	421.34
Additions	781.51
Transfer to proprety, plant and equipment	385.64
At March 31, 2023	**817.21**
Additions	**720.93**
Transfer to proprety, plant and equipment	**686.96**
At March 31, 2024	**851.17**

CWIP ageing schedules

CWIP	Amount in CWIP for a period of		Total
	Less than 1 year	1-2 years	
As at March 31, 2024			
Projects in progress	708.14	143.04	851.17
As at March 31, 2023			
Projects in progress	781.50	35.70	**817.20**

The Group has no such Projects whose completion is overdue or where costs have exceeded as compared to the original plan.

8 INVESTMENT PROPERTY

Particulars/Assets	Investment Property	Total
At April 1, 2022	-	-
Additions	-	-
Depreciation	-	-
At March 31, 2023	-	-
Additions	**137.18**	**137.18**
Deduction/Adjustments	**-**	**-**
At 31st March 2024	**137.18**	**137.18**
ACCUMULATED AMORTISATION		
At 31st March 2022	-	-
Charge for the year	-	-
Deduction/Adjustments	-	-
At 31st March 2023	**-**	**-**
Charge for the year	**6.75**	**6.75**
Deduction/Adjustments	-	-
At 31st March 2024	**6.75**	**6.75**
Net Block		
At 31st March 2023	-	-
At 31st March 2024	**130.43**	**130.43**

(i) The investment property is leased to tenants under long-term operating leases with rentals payable monthly.

(ii) The fair value of the property measured by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 is ₹ 180.43 Lakhs. Fair value of investment property is based on the depreciated replacement cost method.

(iii) Rental income of ₹ 2.82 Lakhs is shown in Other Income.

(Amount ₹ in Lakhs)

	Particulars /Assets	Computer Software	Total
9	**OTHER INTANGIBLE ASSETS**		
	Gross block		
	At March 31, 2022	546.66	546.66
	Additions	20.09	20.09
	At March 31, 2023	**566.75**	**566.75**
	Additions	**136.43**	**136.43**
	At March 31, 2024	**703.19**	**703.19**
	Accumulated amortisation		
	At 1st April 2022	393.80	393.80
	Charge for the year	86.47	86.47
	At March 31, 2023	**480.27**	**480.27**
	Charge for the year	73.64	73.64
	At March 31, 2024	**553.91**	**553.91**
	Net block		
	At March 31, 2023	86.48	86.48
	At March 31, 2024	**149.28**	**149.28**

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

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

10 RIGHT OF USE ASSETS

(Amount ₹ in Lakhs)

Particulars /Assets	Right of use assets			Total
	Land	Building	Plant & equipment	
As at April 1, 2022	320.72	1,724.53	24.06	2,069.31
Add : Addition of new assets	-	14,516.57	3,456.08	17,972.65
Less : Depreciation	5.96	2,032.28	641.53	2,679.78
As at March 31, 2023	**314.76**	**14,208.81**	**2,838.61**	**17,362.18**
Add : Addition of new assets	**-**	**1,488.12**	**12.67**	**1,500.79**
Less : Modification / Re-measurement	-	-	**1.21**	**1.21**
Less : Depreciation	**5.71**	**2,285.96**	**699.20**	**2,990.87**
As at 31st March, 2024	**309.05**	**13,410.98**	**2,150.87**	**15,870.89**

Note : All Lease agreements are duly executed in favour of the company

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
11	**DEPOSITS**		
	Unsecured, considered good		
	Deposits	1,639.87	1,563.90
	Total	**1,639.87**	**1,563.90**

1) Deposits are largely in relation to public utilities and rental Agreements.
2) However, the Group has not taken exhaustive search for information to assess significant increase in the credit risk since initial recognition.

12	**DEFERRED TAX ASSETS (NET)**		
	Deferred tax assets	1,919.88	1,769.74
	Deferred tax liabilities	2,521.28	1,571.25
	Total	**(601.39)**	**198.50**

(Amount ₹ in Lakhs)

Particulars	Opening balance	Recognized in statement of profit and loss	Recognized in other comprehensive income	MAT credit (setoff)	Adjust-ments	Closing balance
~~**As at March 31, 2024:**~~						
Deferred tax asset on account of:						
Expenses claimed for tax purpose on payment basis	424.45	502.64	83.41	-	-	1,010.49
Others	-	6.27	-	-	-	6.27
Lease Liability	317.41	9.44	-	-	-	326.85
Impairment of Trade Receivables	24.75	-	-	-	-	24.75
MAT Credit entitlement	1,003.14	-	-	(331.70)	(119.92)	551.52
Total deferred tax assets (A)	**1,769.74**	**518.35**	**83.41**	**(331.70)**	**(119.92)**	**1,919.88**
Deferred tax liability on account of:						
Property, plant and equipment & intangible assets	1,276.85	126.55	-	-	-	1,403.40
Right of Use Assets	297.64	(34.73)	-	-	-	262.91
Financial assets carried at fair value through profit or loss	(18.80)	858.21	-	-	-	839.41
Others	15.56	-	-	-	-	15.56
Total deferred tax liabilities (B)	**1,571.25**	**950.03**	**-**	**-**	**-**	**2,521.28**
Net deferred tax (A-B)*	**198.50**	**(431.68)**	**83.41**	**(331.70)**	**(119.92)**	**(601.39)**

* Includes deferred tax assets of ₹ 1,295.84 Lakhs of Subsidiary Company shown separately as non-current assets in Balance Sheet.

Particulars	Opening balance	Recognized in statement of profit and loss	Recognized in other comprehensive income	MAT credit (setoff)	Adjust-ments	Closing balance
As at March 31, 2023:						
Deferred tax asset on account of:						
Expenses claimed for tax purpose on payment basis	488.36	(21.93)	(41.99)	-	-	424.45
Carry Forward of Losses	16.91	(16.91)	-	-	-	-
Impairment of Trade Receivables	11.33	13.42	-	-	-	24.75
Lease Liability	300.58	16.83	-	-	-	317.41
MAT Credit entitlement	1,966.97	-	-	(963.83)	-	1,003.14
Total deferred tax assets (A)	**2,784.15**	**(8.59)**	**(41.99)**	**(963.83)**	**-**	**1,769.74**
Deferred tax liability on account of:						
Property, plant and equipment & intangible assets	2,125.70	(848.85)	-	-	-	1,276.85
Financial assets carried at fair value through profit or loss	30.65	(49.46)	-	-	-	(18.80)
Right of Use Assets	297.64	-	-	-	-	297.64
Others	(17.65)	33.21	-	-	-	15.56
Total deferred tax liabilities (B)	**2,436.34**	**(865.09)**	**-**	**-**	**-**	**1,571.25**
Net deferred tax (A-B)*	**347.81**	**856.51**	**(41.99)**	**(963.83)**	**-**	**198.50**

* Includes deferred tax assets of ₹ 919.17 Lakhs of Subsidiary Company shown separately as non-current assets in Balance Sheet.

The Group had previously recognised deferred tax on lease on net basis. As a result of this amendment, the Group has required to recognised a separate deferred tax asset on its Lease Liability and deferred tax liability on its ROU Assets. Since these balances qualify for offset as per requirements of para 74 of Ind AS 12, there is no impact on balance sheet. There was also no impact on opening retained earnings as at 1st April 2023.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
13	**OTHER NON-CURRENT ASSETS**		
	Capital advances	63.73	5.31
	Advance income tax (net of provisions)	838.02	393.40
	VAT/CST paid under protest	-	27.45
	Retention with customer	817.18	1,229.20
	Duty paid under protest	11.73	-
	Total	**1,730.66**	**1,655.36**
14	**INVENTORIES**		
	Raw materials (including in transit)	9,187.09	8,080.99
	Work in Process	4,669.83	2,814.71
	Finished Goods	5,564.45	9,087.51
	Finished Goods- Stock in Transit	216.48	406.19
	Store and spares	1,242.82	434.56
	Total	**20,880.67**	**20,823.96**

(i) Inventory write downs/ provisions for slow-moving and obsolete items are accounted, considering the nature of inventory, ageing, liquidation plan and net realizable value. Provision for slow-moving and obsolete items of inventories amounted to ₹ 139.33 (31st March, 2023: ₹ 162.10) Lakhs. The changes in provisions are recognized as an expense / income in the Consolidated Statement of Profit and Loss. There is a reversal of provision of ₹ 22.77 Lakhs.

(ii) For Inventories given as security to lenders, refer Note No. 31.

	Particulars	As at March 31, 2024 (Units in Nos.)	As at March 31, 2024 (Amount ₹ in Lakhs)	As at March 31, 2023 (Units in Nos.)	As at March 31, 2023 (Amount ₹ in Lakhs)
15	**INVESTMENTS**				
	Financial assets carried at fair value through profit or loss:				
	Investment in mutual funds (unquoted):				
	ICICI Prudential Short Term Fund	1,228,161	668.57	1,228,161	620.58
	ICICI Prudential ALL Season Fund	1,473,398	490.84	1,473,398	454.80
	ICICI Prudential Flexicap Fund	6,028,167	972.95	6,028,167	671.54
	ICICI Prudential Small Cap Fund	1,509,100	1,123.98	1,509,100	794.24
	ICICI Prudential Money Market Fund	-	-	65,929	211.72
	ICICI Prudence Value Discovery Fund	108,664	428.78	22,175	60.70
	IDFC Crisil Gilt Fund 2027	3,819,811	444.92	3,819,811	415.04
	HDFC Short Term Debt Fund	2,310,358	667.36	2,310,358	619.69
	HDFC Focused 30 Fund	374,788	693.80	345,084	453.54
	HDFC Flexicap Fund	47,707	766.02	44,669	500.96
	HDFC TOP 100 Fund	40,423	415.07	17,011	125.35
	HDFC Ultra Short Term Fund	-	-	1,909,035	246.69
	Motilal Oswal Ultra Short Term Fund	-	-	555,927	80.42
	Motilal Oswal Midcap Fund	1,765,981	1,398.65	1,608,388	794.42
	Nippon India Large Cap Fund	1,048,947	820.13	1,048,947	566.35
	Nippon India Banking & Financial Services	109,458	560.02	89,373	341.65
	Nippon India Money Market Fund	-	-	2,293	80.54
	DSP Blackrock Microcap Fund	-	-	-	-
	Kotak Money Market Fund	148,118	6,059.28	75,372	2,866.57
	Kotak Overnight Fund	-	-	14,707	175.20
	Kotak Liquid Reg Fund	-	-	5,920	267.42
	Kotak Private Credit Fund	15,039	1,564.21	-	101.32
	Total		**17,074.55**		**10,448.74**
	Investments in mutual funds have been fair valued at closing net asset value (NAV).				
	The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.				
	Aggregate amount of quoted investments & market value		**17,074.55**		**10,448.74**
	Aggregate amount of impairment in value of investments		-		-

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
16	**TRADE RECEIVABLES**		
	Unsecured, considered good	27,659.08	43,732.13
	Credit impaired	70.84	70.84
	Total (A)	**27,729.92**	**43,802.98**
	Less: Impairment for doubtful trade receivables (B)	70.84	70.84
	Total (A-B)	**27,659.08**	**43,732.13**

(i) Generally, the Group enters into long-term sales arrangement with its customers. The average credit period is 45 for customers of holding company and 90 days for customers of subsidiary company.

(ii) At 31 March 2024, the group had two customers (31st March, 2023: two customers) having outstanding more than 5% of total trade receivables that accounted for approximately 80% (31st March, 2023: 80%) of total trade receivables outstanding.

(iii) The Group assesses impairment loss on dues from its customers based on facts and circumstances relevant to each transaction. Usually, the Group collects all its receivables from its customers within due date.

(iv) No trade receivables are due from directors or other officers of the Group or any of them either severally or jointly with any other person or from firms or private companies respectively in which any director is a partner, a director or a member.

(v) Ageing Schedule for Trade Receivables (Refer note 55)

(vi) Movement of Impairment for doubtful trade receivables:

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
	Balance at beginning of the year	70.84	3.43
	Addition in expected credit loss allowance on trade receivables	-	67.42
	Balance at end of the year	**70.84**	**70.84**
17	**CASH AND CASH EQUIVALENTS**		
	Balances with banks		
	In Cash credit accounts	484.50	711.92
	In current accounts	54.31	60.61
	In Transit Cheques	-	35.00
	Cash on hand	12.71	6.59
	Total	**551.52**	**814.12**
18	**OTHER BANK BALANCES**		
	Balances with banks		
	Unclaimed dividend accounts (earmarked)	60.00	59.27
	Deposit with bank held as margin money against bank guarantee & LC	630.15	422.27
	Total	**690.15**	**481.54**
19	**LOANS**		
	Unsecured, considered good		
	Others	-	140.17
	Total	**-**	**140.17**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
20	**OTHER CURRENT FINANCIAL ASSETS**		
	Unsecured, considered good		
	Loans to employees	46.38	10.37
	Other advances	13.88	4.26
	Insurance claim receivable*	3,000.00	-
	Escrow Account Balance #	1,800.12	104.49
	Others		
	Interest receivable	22.32	22.33
	Deposits	154.21	-
	Total	**5,036.91**	**141.45**

Includes bank balance in ESCROW arrangement with customer.

* Adhoc claim amount received after the balance sheet date

	Particulars	As at March 31, 2024	As at March 31, 2023
21	**CURRENT TAX ASSETS (NET)**		
	Current tax assets		
	Advance tax (net of provisions)	173.92	618.95
	Total	**173.92**	**618.95**
22	**OTHER CURRENT ASSETS**		
	Unsecured, considered good		
	Balance with government authorities	1,460.11	1,491.38
	Deposit (Refer note below)	15.45	15.45
	Prepaid Expenses	352.56	366.61
	Advance to Vendors	1,273.09	787.86
	Total	**3,101.21**	**2,661.30**

The Holding Company had deposited ₹ 15.45 Lakhs under protest towards octroi duty in a separate bank account jointly held with the Sarpanch, Waghodia Gram Panchayat. The State Government of Gujarat has notified that industrial units in the notified area of Waghodia are not required to pay the octroi duty from July 19, 1997. The Holding Company believes it has no liability for octroi duty even for the earlier period and hence no provision has been made. In the absence of clarity regarding rights of respective parties, interest income credited by the bank amounting to ₹ 28.42 Lakhs (As at 31st March, 2023: ₹ 27.26 Lakhs) on the aforesaid amount till 31st March, 2024 has not been recognized.

	Particulars	As at March 31, 2024	As at March 31, 2023
23	**NON-CURRENT ASSETS HELD FOR SALE**		
	Leasehold land for sale	1,164.27	1,164.27
	Total	**1,164.27**	**1,164.27**

The Holding Company has entered into an agreement to transfer the Right of Use Asset pertaining to Land located at MIDC, Pune, Maharashtra. The transactions are set to be completed by end of FY 24-25. It has also received non-refundable advance for MIDC, Pune Land of ₹ 1161.78 Lakhs for the same (refer note 35).

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
24	**EQUITY SHARE CAPITAL**		
	Authorised share capital		
	10,00,00,000 (as at March 31, 2023: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Unclassified shares	500.00	500.00
	Total authorised share capital	**2,500.00**	**2,500.00**
	Issued, subscribed & fully paid share capital		
	10,00,00,000 (as at March 31, 2023: 10,00,00,000) equity shares of ₹ 2 each	2,000.00	2,000.00
	Total	**2,000.00**	**2,000.00**

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

(Amount ₹ in Lakhs)

Particulars	No. of shares	Share capital
As at April 01, 2022	**10,00,00,000**	**2,000.00**
Add: Increase/(decrease) during the year	-	-
As at March 31, 2023	10,00,00,000	2,000.00
Add: Increase/(decrease) during the year	-	-
As at March 31, 2024	**10,00,00,000**	**2,000.00**

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

The Holding Company has only one class of Equity Shares having a par value of ₹ 2 per share. For all matters submitted to vote in a shareholders meeting of the Holding Company, every holder of an equity share as reflected in the records of the Holding Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the Holding Company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Holding Company all preferential amounts if any shall be discharged by the Holding Company. The remaining assets of the Holding Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

	Particulars	No. of shares	Extent of holding
(iii)	**Details of shares held by holding company of the parent are classified as under:**		
	Thakur Devi Investments Private Limited		
	As at March 31, 2024	**7,48,06,450**	**74.81%**
	As at March 31, 2023	7,48,06,450	74.81%
(iv)	**Details of shareholders holding more than 5% shares in the Holding Company are as under:-**		
	Thakur Devi Investments Private Limited		
	As at March 31, 2024	**7,48,06,450**	**74.81%**
	As at March 31, 2023	7,48,06,450	74.81%

(v) **Details of shares held by promoters :**

Promoters Name	No. of shares at the beginning of the Year	Change during the year	No. of shares at the end of the year	% of Total shares	% of change during the year
Thakur Devi Investments Private Limited					
As at March 31, 2024	7,48,06,450	-	7,48,06,450	74.81%	-
As at March 31, 2023	7,48,06,450	-	7,48,06,450	74.81%	-

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
25	**OTHER EQUITY**		
	Capital reserve	2.09	2.09
	General reserves	1,848.73	1,848.73
	Retained earnings	36,296.26	34,447.25
	Other comprehensive income	(27.76)	135.35
	Total	**38,119.32**	**36,433.42**

(i) Particulars relating to other equity

Other equity	As at March 31, 2024	As at March 31, 2023
Capital reserve		
Opening balance	2.09	2.09
Less: Increase/(Decrease) during the year	-	-
Closing balance (A)	**2.09**	**2.09**
General reserves		
Opening balance	1,848.73	1,848.73
Less: Increase/(Decrease) during the year	-	-
Closing balance (B)	**1,848.73**	**1,848.73**
Retained earnings		
Opening balance	34,447.25	29,833.75
Add: Net profit after tax transferred from statement of profit & loss	3,849.01	5,613.50
Less: Dividend paid (amount per share ₹ **1.00** on **10,00,00,000** shares (Previous Year ₹ 0.00 on 10,00,00,000 shares))	(2,000.00)	(1,000.00)
Closing balance (C)	**36,296.26**	**34,447.25**
Other comprehensive income		
Opening balance	135.35	64.85
Add: Re-measurement of defined benefit obligation (net of income tax)	(163.11)	70.49
Closing balance (D)	**(27.76)**	**135.35**
Total (A+B+C+D)	**38,119.32**	**36,433.42**

(ii) Capital Reserve represents the profit on re-issue of forfeited shares.

(iii) The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not reclassified subsequently to profit or loss.

(iv) The other comprehensive income is created by Re-measurement of defined benefit obligation and will not reclassified subsequently to profit or loss.

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
26	**NON-CONTROLLING INTERESTS (NCI)**		
	Balance at beginning of year	1,003.99	1,445.74
	Share in profit / (loss) for the year	(46.08)	(451.45)
	Share in OCI	9.90	9.71
	Total	**967.80**	**1,003.99**

Details of non-wholly owned subsidiary of the Group that have material non-controlling interest as at 31st March, 2024 and for the year ended then:

(Amount ₹ in Lakhs)

Name of subsidiary	Place of incorporation	Proportion of ownership interests and voting rights held by non-controlling interests	Profit allocated to non-controlling interests	Accumulated non-controlling interests
Indutch Composites Technology Private Limited				
As at March 31, 2024	India	32%	(36.18)	967.80
As at March 31, 2023	India	32%	(441.75)	1,003.99

	Particulars	As at March 31, 2024	As at March 31, 2023
27	**BORROWINGS**		
	Secured		
	Term loans		
	From banks	1,834.31	3,184.23
	From NBFC	0.03	4.30
	Total	**1,834.34**	**3,188.53**

(i) **Nature of security for long term secured borrowings including current maturities:**

Term loans	Nature of security	Current maturities of each loan (₹ in Lakhs)	Amount of each loan outstanding (₹ in Lakhs)
From Banks:			
State Bank of India			
Loan VIII	These loans are secured by way of mortgage / charge created on plant and machinery acquired out of the sanctioned term loan for Waghodia, District- Vadodara, Gujarat.	- (705.59)	- (705.59)
Loan IX		**444.00** (440.00)	**538.16** (971.83)
Loan - 2	In case of subsidiary company, these loans are secured by hypothecation of plant and machinery, immovable properties (having first charge), personal guarantee of directors and pledge of equity shares of two WTD including their personal house properties too .	**500.00** (500.00)	**1,610.68** (**2,124.83**)
Loan - 3		**44.28** (160.00)	**44.28** (205.10)
Auto Loan	This loan is secured by way of charge created on fixed assets -Car .	**11.88** -	**35.10** -
HDFC Bank Limited			
Loan IV	These loans are secured by way of charge created on fixed assets funded out of term loan pertaining to the Company's plant at Dharuhera, District - Rewari, Haryana.	- (150.00)	- (150.00)
Loan V		**337.20** (337.20)	**927.30** (1,264.52)
Auto loan	This loan is secured by way of charge created on fixed assets -car .	**7.24** (6.71)	**19.16** (25.87)
Profectus capital -NBFC **Loan 1**	This loan is secured by way of charge created on fixed assets - machine (ROVER PLAST A FT 1531-HALOL)	**0.03** (49.54)	**4.30** (53.84)

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

Term Loans	Date of maturity	Rate of interest	No. of instalments due after the balance sheet date	Amount of each instalment in ₹ in Lakhs
From Banks				
State Bank of India				
Loan VIII	March, 2024	MCLR + 0.10%	**-** (4)	**-** (185.00)
Loan IX	June, 2025	MCLR + 0.10% (PY-MCLR+0.15%)	**5** (9)	**111.00** (111.00)
Loan 2	March, 2027	MCLR + 1%	**12** (16)	**125.00** (125.00)
Loan 3	June, 2024	MCLR + 1%	**1** (5)	**40.00** (40)
Auto Loan	September, 2026	MCLR+1.00%	**41** -	**0.85** -
HDFC Bank Limited				
Loan IV	February, 2024	MCLR + 0.15%	**-** (4)	**-** (37.50)
Loan V	December, 2026	MCLR + 0.15%	**11** (15)	**50.00** (50.00)
			11 (15)	**34.30** (34.30)
Auto loan	September, 2026	MCLR + 2.00%	**27** (42)	**0.70** (0.70)
Profectus capital -NBFC				
Loan 1	April, 2024	7.50%	**1** (13)	**4.33** (4.33)

Previous year figures are in bracket

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
28	**LEASE LIABILITIES**		
	Unsecured		
	Lease liabilities	15,241.17	15,972.97
	Total	**15,241.17**	**15,972.97**
	Movement of lease liabilities are as under:		
	Opening balance	18,384.00	2,312.04
	Addition during the year	1,500.79	17,964.21
	Finance cost	1,422.02	1,415.25
	Payment made during the year	(3,678.14)	(3,307.50)
	Modificatio/re-measurement	(1.46)	-
	Closing balance	**17,627.21**	**18,384.00**
	Current liabilities	2,386.04	2,411.03
	Non-current liabilities	15,241.17	15,972.97

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
29	**OTHER FINANCIAL LIABILITIES**		
	Security deposits	1,975.00	2,812.50
	Total	**1,975.00**	**2,812.50**
30	**LONG-TERM PROVISIONS**		
	Provision for employee benefits (For details refer note no. 49)		
	Gratuity	859.41	427.36
	Leave encashment	640.71	524.71
	Provision for others		
	Warranties	412.27	307.76
	Total	**1,912.39**	**1,259.83**
	(i) Movement in warranties provision:		
	Opening balance	**322.03**	**270.00**
	Additions during the year	134.83	47.32
	Amount utilised during the year	(0.86)	(5.94)
	Provision reversed during the year	(57.23)	(14.01)
	Unwinding of discount on provisions	26.71	24.65
	Closing balance	**425.48**	**322.02**
	Long-term Provisions	412.27	307.76
	Short-term Provisions	13.21	14.27

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

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
31	**BORROWINGS**		
	Current maturity of long term debt		
	Secured	1,344.63	2,313.05
	Loans repayable on demand from banks		
	Secured	4,685.21	4,276.13
	Unsecured	2,124.92	-
	Interest accrued but not due	14.58	-
	Total	**8,169.34**	**6,589.17**
	These loans are secured by a first charge on inventories, receivables and all other current assets of respective company.		
32	**LEASE LIABILITIES - CURRENTS**		
	Lease liabilities (refer note no. 28)	2,386.04	2,411.03
	Total	**2,386.04**	**2,411.03**

(Amount ₹ in Lakhs)

	Particulars	As at March 31, 2024	As at March 31, 2023
33	**TRADE PAYABLES**		
	(A) Total outstanding dues of micro enterprises and small enterprises	822.15	3,982.45
	(B) Total outstanding dues of creditors other than micro and small enterprises	23,723.46	27,213.00
	Total	**24,545.61**	**31,195.45**
	(i) Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 30 - 60 days.		
	(ii) Ageing schedule for trade payables (refer note 56)		
34	**OTHER FINANCIAL LIABILITIES**		
	Interest accrued and due on borrowings	12.14	11.03
	Unclaimed Dividends	60.00	59.27
	Security Deposits	37.53	42.35
	Expenses payable	7.30	1,399.02
	Payable to Employees	1,197.72	1,509.69
	Payable for Capital Goods	115.59	77.40
	Total	**1,430.28**	**3,098.76**
35	**OTHER CURRENT LIABILITIES**		
	Liability for statutory payments	3,316.12	3,027.90
	Advance from Customers	11,589.33	12,107.04
	Advance Received for Non-Current Assets held for Sale	-	117.35
	Total	**14,905.45**	**15,252.29**
36	**PROVISIONS**		
	Provision for employee benefits (for details refer note no. 49)		
	Gratuity	133.59	119.13
	Leave encashment	757.98	634.93
	Provision for others		
	Warranties (refer note no. 30 for details)	13.21	14.27
	Provision for Price Differences	5,329.32	4,857.58
	Others	164.93	-
	Total	**6,399.03**	**5,625.91**
	Movement in provision for price differences:		
	Opening balance	4,857.58	12,378.50
	Additions during the year	5,299.62	22,845.31
	Amount utilized / Written back during the year	(4,827.87)	(30,366.23)
	Closing balance	**5,329.33**	**4,857.57**
	Long-term provisions	-	-
	Short-term provisions	5,329.33	4,857.57
	Break-up of provision for price differences		
	Payable to / (receivable) from - customers	4,648.52	5,369.59
	(Receivable) from / payable to - vendors	680.80	(512.02)

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
37	**REVENUE FROM OPERATIONS**		
	Sale of products		
	Components of automobile	1,30,884.47	1,56,522.69
	Composites and product moulds /services	55,933.91	40,283.23
	Other operating revenue		
	Sale of scrap	1,206.39	1,621.95
	Export incentives	-	0.92
	Total	**1,88,176.18**	**1,98,428.79**
38	**OTHER INCOME**		
	Interest income on financial assets carried at amortised cost		
	Deposit with bank and others	34.42	31.42
	Dividend Income	79.35	-
	Net Profit on sale / redemption of Current Investments	473.44	579.42
	Net gain on investments carried at fair value through Profit or Loss	2,455.98	-
	Exchange fluctuation (net)	-	8.22
	Unwinding of Interest	2.05	1.72
	Other non-operating income		
	Sundry balances written back (net)	0.63	85.34
	Provision written back	-	29.00
	Insurance Claim Received	67.43	57.83
	Profit on Sale of PPE (Net)	19.34	-
	Modification Gain on Lease Assets / Liabilities	0.27	-
	Rental Income	2.82	-
	Miscellaneous Income	470.81	481.39
	Total	**3,606.54**	**1,274.33**
39	**COST OF MATERIALS CONSUMED**		
	Cost of materials consumed	1,30,265.69	1,57,431.01
	Total	**1,30,265.69**	**1,57,431.01**
40	**CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**		
	Opening stock		
	Finished goods	9,087.51	2,561.67
	Work-in-progress	2,814.71	2,686.65
	Finished goods-stock in transit	406.19	260.31
	Total (A)	**12,308.41**	**5,508.63**
	Closing stock		
	Finished goods	5,564.45	9,087.51
	Work-in-progress	4,669.83	2,814.71
	Finished goods-stock in transit	216.48	406.19
	Total (B)	**10,450.76**	**12,308.41**
	Total(A-B)	**1,857.65**	**(6,799.78)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
41	**EMPLOYEE BENEFITS EXPENSES**		
	Salaries and wages	16,895.26	15,362.21
	Contribution to provident and other funds	1,271.61	1,172.90
	Staff welfare expenses	369.57	332.22
	Total	**18,536.44**	**16,867.34**
42	**FINANCE COSTS**		
	Interest on		
	- Borrowings from banks	809.12	724.98
	- Others	41.59	52.03
	- Lease liabilities	1,422.02	1,415.25
	Other costs	452.53	489.16
	Unwinding of discount on provisions (Warranty)	26.71	24.65
	Total	**2,751.97**	**2,706.08**
43	**DEPRECIATION AND AMORTIZATION EXPENSES**		
	Depreciation on property, plant and equipment	2,500.71	2,535.65
	Depreciation on Investment Property	6.75	-
	Depreciation on ROU Assets	2,990.87	2,679.78
	Amortisation of Intangible Assets	73.64	86.47
	Total	**5,571.97**	**5,301.90**
44	**OTHER EXPENSES**		
	Store and tools consumed	3,677.85	3,817.33
	Power and fuel	5,324.29	4,579.32
	Freight Charges	1,014.85	1,116.04
	Repairs and maintenance:		
	Repairs to buildings	23.81	15.01
	Repairs to Machinery	411.21	381.93
	Repairs and Maintenance - Others	364.59	183.55
	Research and development expenses	-	133.66
	Rent	193.33	154.27
	Wages to Contractors	6,322.36	5,166.31
	Professional Charges	1,133.83	305.24
	Insurance Premium	356.95	330.35
	Audit Fees	44.84	25.90
	Loss on property, plant and equipment sold/discarded (Net)	-	14.05
	Rates and Taxes excluding taxes on income	74.38	343.32
	Charity & Donation / CSR Expenses	89.11	70.70
	Warranty Expenses	93.52	54.32
	Exchange fluctuation (net)	58.10	48.79
	Provision for doubtful debts	-	67.42
	Capital Advances written off	-	29.00
	Net loss on investments carried at fair value through Profit or Loss	-	9.30
	Miscellaneous Expenses	6,299.43	5,090.30
	Total	**25,482.45**	**21,936.12**

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i)	**Research and development expenses :**		
	Expenses charged to revenue account		
	Raw material consumption	-	118.05
	Employee benefits	-	-
	Travelling & other expenses	-	15.40
	Total	**-**	**133.44**
	Capital expenditure		
	Equipments	-	0.10
	Total	**-**	**0.10**
45	**EXCEPTIONAL ITEMS**		
	Net Gain on sale of Right of Use Assets	-	4,716.32
	Bonus Reversal	77.73	22.39
	Professional Tax reversal	-	44.54
	Interest and Penalty on statutory dues	-	(18.57)
	Sundry Balance written off	(13.01)	-
	Rent Reversal	503.43	-
	Loss due to cyclone (refer note below)	(1,760.96)	-
	Total	**(1,192.81)**	**4,764.68**

Note: On December 03, 2023 there was flash floods due to cyclone namely "Michaung", disturbing production and all activities at Sullurpeta, Andhra Pradesh plant. The subsidiary company has restarted production on February 15, 2024. The subsidiary company is adequately insured to the impact and its effect of this event. The subsidiary company has estimated the total claim amount of ₹ 103 Crores - out of which ₹ 57.61 crores to cover subsidiary company's portion (of it's Property plant and Equipment ₹ 2.10 crores and Inventory and Others ₹ 55.51 crores) the impact and ₹ 45.39 crores towards assets and stock held in trust. Pending such finalising of the claim process the subsidiary company has received interim amount of ₹ 40 Crores (₹ 10 crores on 23.01.2024 and Rs. 30 Crores on 03.05.2024) till the date, which has been accounted for as receipt against own damge by the subsidiary company. The company has accounted for the estimation Net of interim amount of loss as an exceptional item.

(Amount ₹ in Lakhs)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
46	**TAX EXPENSES**		
	Current tax in relation to		
	Current years	1,806.15	2,570.32
	Earlier years	82.98	149.27
	Deferred tax		
	In respect of current year	348.27	(814.53)
	Total income tax expense recognised in the current year	**2,237.40**	**1,905.06**
(i)	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	6,123.74	7,025.13
	Income tax expense calculated at 34.944%	2,139.88	2,454.86
	Tax effects of amounts which are not deductible/(taxable) in calculating taxable income		
	Expenses not allowed in income tax	1,835.38	34.51
	Exempted Income / Effect of Tax on lower rate	(1,315.97)	(726.03)
	Adjustment of Mat Credit	(119.92)	-
	Tax adjustment of earlier years	82.98	149.27
	Others	(384.95)	(7.55)
	Income tax expense recognised in consolidated statement of profit and loss	**2,237.40**	**1,905.06**

47 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(A) Contingent liabilities not provided for in respect of

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the company not acknowledged as debt under the labour laws	94.13	103.62
Income tax	423.723	247.29
Excise duty	58.76	58.76
Sales tax	33.22	52.12
Goods and Service Tax	150.74	-

(i) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(ii) It is not practicable to estimate the timing of cash outflows, if any, in respect of matters above pending resolution of the arbitration/appellate proceedings.

(iii) Income tax

The Holding Company is involved in tax disputes amounting to **₹ 95.04** (as at 31st March, 2023 ₹ 95.04) lakhs relating to Income Tax. This mainly relate to the disallowance under section 14A and Domestic Transfer Pricing of the Income Tax Act, 1961 and interest thereon which is pending at Appellate level.

In case of Subsidiary, it is involved in tax disputes amounting to **₹ 328.68** (as at 31st March 2023 ₹ 152.25) lakhs relating to Income Tax. This mainly relate to the TDS penalties & assessment which are pending at Appellate level.

(iv) Excise duty

The Excise Authorities had denied a CENVAT credit amounting to ₹ 29.38 lakhs and imposed a penalty of ₹ 29.38 lakhs for a period between June, 2008 to March, 2009 (¹ 29.38 lakhs and ₹ 29.38 lakhs CENVAT credit and penalty respectively at 31st March, 2023) in respect of CENVAT credit availed on supplementary invoices raised by the Customer on account of material supplied by them. The Holding Company is contesting the show cause notice.

(v) Sales tax

The total sales tax demands (including interest and penalty), that are being contested by the Holding Company amount to **₹ 33.22** (as at 31st March, 2023 ₹ 52.12) Lakhs. The details of the demands are as follows:

In case of Holding Company, the Sales Tax authorities have denied input tax credit and levied interest and penalty thereon due to varied reasons aggregating to **₹ 33.22 lakhs** (as at 31st March, 2023 ₹ 33.22 lakhs) . The reasons for disallowing credit was mainly due to not allowing set off of taxes on LPG Gas and other materials used in manufacturing and also not allowing full deduction of taxes paid. Further, there is levy of purchase tax on purchase of LPG Gas. The matter is contested in appeal.

In case of Holding Company, the Sales Tax authorities have demanded tax aggregating to **₹ Nil** (as at 31st March, 2023 ₹ 18.90) lakhs on account of tax being levied on inter-state stock transfers. During the year the Company has received favourable order in this matter.

(vi) Goods and Service Tax

In respect of Subsidiary company, GST obligations towards mobilisation / Escrow arrangement with customer and reconciliation between GSTR3B and GSTR2A

(Amount ₹ in Lakhs)

(B) Commitments	As at March 31, 2024	As at March 31, 2023
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) including investment property	89.44	5.54
(b) Commitment for investment in mutual funds	-	1,900.00

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
48	**EARNINGS PER SHARE**		
	Profit after tax for the year attributable to equity shareholders (₹ in Lakhs)	3,849.01	5,613.50
	Weighted average number of equity shares (in Nos.)	10,00,00,000	10,00,00,000
	Basic and Diluted earnings per equity share (in ₹)	3.85	5.61
	Face Value per equity share (in ₹)	2.00	2.00

49 EMPLOYEE BENEFITS

(a) Defined contribution plans

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

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

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

(i) Provident fund and pension

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

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

(ii) Superannuation fund

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

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

The total expenses recognised in the Consolidated Statement of Profit and Loss during the year are as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution to provident and other funds	985.40	963.93
Employer's contribution to superannuation fund	117.74	47.90
Total	**1,103.15**	**1,011.83**

(b) Defined benefit plan

(i) Gratuity

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31st March, 2024 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Each year, the respective companies in the group review the level of funding in gratuity fund. The Group decides its contribution based on the results of its annual review.

This plan typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

(I) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund.

(II) Interest rate risk

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

(III) Longevity risk

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

(IV) Salary risk

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

Amounts recognized in the Financial Statements in respect of defined benefit plan are as follows:

(Amount ₹ in Lakhs)

Particulars	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Service cost		
Current service cost	276.88	278.22
Net interest expense/ (income)	34.97	26.49
Components of defined benefit costs recognised in Employee benefit expenses	**311.85**	**304.71**
Re-measurement on the net defined benefit liability:		
Actuarial (gains)/losses arising from changes in financial assumptions	36.91	(91.43)
Actuarial (gains)/losses arising from experience adjustments	194.77	(25.05)
Return on plan assets excluding amount included in net interest cost	4.94	(5.71)
Components of re-measurement	**236.63**	**(122.19)**
Total	**548.48**	**182.52**
The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:		
Present value of funded defined benefit obligation	2,316.61	1,895.79
Fair value of plan assets	1,323.61	1,349.30
Net liability arising from defined benefit obligation	**993.00**	**546.49**
Movements in the present value of the defined benefit obligation are as follows:		
Opening defined obligation	1,895.79	1,684.82
Current service cost	276.88	278.22
Interest cost	118.21	97.86
Re-measurement (gains)/losses :		
Actuarial (gains)/ losses arising from changes in financial assumptions	36.91	(91.43)
Actuarial (gains)/ losses arising from experience adjustments	194.77	(25.05)
Benefits paid	(205.95)	(48.63)
Closing defined benefit obligation	**2,316.61**	**1,895.79**

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Movements in the fair value of plan assets are as follows:		
Opening value of plan assets	1,349.30	1,250.48
Interest income	83.24	71.37
Return on plan assets excluding amounts included in interest income	(4.94)	5.71
Contributions by employer	101.96	70.36
Benefits paid	(205.95)	(48.63)
Closing value of plan assets	**1,323.61**	**1,349.30**
Classification of non-current and current liability:		
Non-current liability	859.41	427.36
Current liability	133.59	119.13
Total	**993.00**	**546.49**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Mortality	Indian assured lives mortality (2012-14) table	
Withdrawal rates	10% p.a. at younger ages reducing to 1% p.a. at older ages	
Discount rate (%)	7.15%	7.35%
Salary escalation rate (%)	6.50%	6.50%
Rate of return on plan assets (%)	7.15%	7.35%
The fair value of the plan assets at the end of the reporting period for each category are as follows:		
100% managed by insurer (Life Insurance Corporation of India)	1,323.61	1,349.30

Fair value of Investment in Group of Insurance Company is taken as book value on reporting date.

The actual return on plan assets of gratuity during the year is ₹ 78.30 (during previous year ended 31st March, 2023: ₹ 77.08) Lakhs.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and withdrawal rates. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(Amount ₹ in Lakhs)

Significant actuarial assumptions	As at March 31, 2024	As at March 31, 2023
Discount rate		
- Impact due to increase of 50 basis points	1,814.16	1,525.30
- Impact due to decrease of 50 basis points	1,910.97	1,615.13
Salary increase		
- Impact due to increase of 50 basis points	1,906.33	1,612.37
- Impact due to decrease of 50 basis points	1,817.45	1,527.00
Withdrawal rate		
- Impact due to increase of 10 percent	1,863.10	1,571.10
- Impact due to decrease of 10 percent	1,858.72	1,566.22
In case of Subsidiary Company,		
Discount rate		
- Impact due to increase by 1 percent	400.37	284.50
- Impact due to decrease by 1 percent	524.06	380.29
Salary increase		
- Impact due to increase by 1 percent	523.42	379.96
- Impact due to decrease by 1 percent	399.85	284.00
Withdrawal rate		
- Impact due to increase of 1 percent	456.26	329.13
- Impact due to decrease of 1 percent	454.93	324.65

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

The Holding Company expects to make a contribution of ₹ **133.59** (as at 31st March, 2023: ₹ 119.13) lakhs to the defined benefit plans during the next financial year.

(c) Other long term employee benefit plans

Leave encashment

Amount of ₹ **503.44** (31st March 2023 ₹ 178.33) lakhs is recognised as expenses and included in note no. 41 “Employee benefit expense”.

50 IMPAIRMENT OF ASSETS

In accordance with the Indian Accounting Standard (Ind AS-36) on “Impairment of Assets” the Group has, during the year, carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at 31st March 2024.

51 SEGMENT REPORTING

(i) The board of directors of the Holding Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Group's performance, allocates resources based on the analysis of the various performance indicators of the Group. The CODM has identified and reported segments taking into account the different risks and returns, the organization structure and the internal reporting systems as per the requirement of IND AS 108 "Operating Segments". These have been organised into the following business segments:

(a) Auto components and (b) Composite products & moulds

(ii) **Segment revenue, results, assets and liabilities**

The following is an analysis of the Group's revenue, results, assets and liabilities from continuing operations by reportable segment for the year ended 31st March 2023:

(Amount ₹ in Lakhs)

Sr. No.	Particulars	Auto components	Composite products & moulds	Unallocable	Total
I	**Segment revenue**	**1,32,242.27**	**55,937.91**	**-**	**1,88,180.18**
	Less: Inter segment revenue	-	4.00	-	4.00
	Revenue from operations	**1,32,242.27**	**55,933.91**	**-**	**1,88,176.18**
II	**Segment results profits (+)/losses (-)**				
	before tax and interest from each segment	**6,480.22**	**2,395.49**	**-**	**8,875.71**
	Finance cost	327.27	2,424.70	-	2,751.97
	Interest income	-	-	-	-
	Profit before tax	**6,152.95**	**(29.21)**	**-**	**6,123.74**
	Income taxes	2,276.25	44.56	-	2,320.81
	Profit for the year	**3,876.70**	**(73.77)**	**-**	**3,802.93**
III	**Segment assets**	65,799.93	55,983.06	-	1,21,782.99
	Total	**65,799.93**	**55,983.06**	**-**	**1,21,782.99**
IV	**Segment liabilities**	28,413.53	52,282.34	-	80,695.87
	Total	**28,413.53**	**52,282.34**	**-**	**80,695.87**
V	**Other information**				
	Depreciation	1,978.37	3,593.59	-	5,571.97

Segment revenue generated from external customers which is attributable to the Company's country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from:		
Outside India	**7,543.20**	3,295.73
In India	**1,80,632.97**	1,95,133.06

52 The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

53 FINANCIAL INSTRUMENT DISCLOSURE

(a) Capital management

The Group's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Group, safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Group monitors capital using a ratio of net debt to equity. For this purpose, net debt is defined as liabilities, comprising interest-bearing loans less cash and cash equivalents, other bank balances (including earmarked balances) and current investments. Equity comprises all components of equity.

The Group's gearing ratio, which is total borrowings divided by total capital employed is as below:

(Amount ₹ in Lakhs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Equity share capital	2,000.00	2,000.00
Other equity	38,119.32	36,433.42
Total equity (A)	**40,119.32**	**38,433.42**
Non-current borrowings	1,834.34	3,188.53
Short term borrowings	6,810.13	4,276.13
Current maturities of long term borrowings	1,344.63	2,313.05
Gross debt (B)	**9,989.10**	**9,777.71**
Gross debt as above	9,989.10	9,777.71
Less: Current investments	17,074.55	10,448.74
Less: Cash and cash equivalents	551.52	814.12
Less: Other balances with bank (including earmarked balances)	690.15	481.54
Net debt (C)	**(8,327.12)**	**(1,966.69)**
Gearing Ratio D = (C / A)	**-**	**-**

(b) Disclosures

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

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

(i) Financial assets and liabilities

The following tables presents each category of financial assets and liabilities as at 31st March, 2024.

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
I. Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Investments in mutual funds	17,074.55	10,448.74
Measured at amortised cost		
Trade and other receivables	27,659.08	43,732.13
Cash and cash equivalents	551.52	814.12
Other bank balances	690.15	481.54
Deposit	-	140.17
Other financial assets	5,036.91	141.45
Total	**51,012.21**	**55,758.15**
II. Financial liabilities		
Measured at amortised cost		
Long term borrowings	1,834.34	3,188.53
Short term borrowings	8,169.34	6,589.17
Trade payables	24,545.61	31,195.45
Lease Liabilities	17,627.21	18,384.00
Other financial liabilities	3,405.28	5,911.26
Total	**55,581.78**	**65,268.42**

(ii) Fair value measurement

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

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

Following table gives information about how the fair values of the Company's financial assets are determined:

(Amount ₹ in Lakhs)

Financial assets	Fair value as at March 31, 2024	Fair value as at March 31, 2023	Fair value hierarchy
Investment in mutual funds	17,074.55	10,448.74	

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

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

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

There have been no transfers between Level 1 and Level 2 for the years ended 31st March, 2024 and 31st March 2023.

(iii) Financial risk management objectives

The Group's principal financial liabilities comprises of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include mutual funds, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The senior management ensures that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

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

(I) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amount ₹ in Lakhs)

Foreign currency exposure	Currency	As at March 31, 2024	As at March 31, 2023
Financial Assets	**USD**	45.63	87.35
	Euro	0.04	0.04
Total		**45.67**	87.35
Financial Liabilities	**USD**	**14.07**	12.40

The Group has not entered in to any forward contracts to hedge its foreign exposures and therefore there are no outstanding forward contract at the year end.

Foreign currency sensitivity:

The Group is principally exposed to foreign currency risk against USD/EURO. Sensitivity of profit or loss arises mainly from USD/EURO denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between USD/EURO-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

(Amount ₹ in Lakhs)

USD/EURO sensitivity at year end	For the year ended March 31, 2024	For the year ended March 31, 2023
Assets		
Weakening of INR by 5%	2.28	4.37
Strengthening of INR by 5%	(2.28)	(4.37)
Liabilites		
Weakening of INR by 5%	(0.70)	(0.62)
Strengthening of INR by 5%	0.70	0.62

(II) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from the long term borrowings with fixed rates. The Group's fixed rates borrowings are carried at amortised cost.

The Group invests the surplus fund generated from operations in mutual funds. Considering these mutual funds are short term in nature, there is no significant interest rate risk.

The Group has laid policies and guidelines including tenure of investment made to minimise impact of interest rate risk.

(III) Price risk

The Holding Company has deployed its surplus funds into units of mutual fund. The Holding Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in liquidity and credit quality of underlying securities.

NAV price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to NAV price risks at the end of the reporting period. If NAV prices had been 1% higher/lower:

In case of Holding Company, Profit for the year ended 31st March, 2024 would increase/decrease by ₹ 170.47 Lakhs (for the year ended 31st March, 2023: increase/decrease by ₹ 104.47 Lakhs).

(b) Credit risk

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

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

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and disclosed as under:

(Amount ₹ in Lakhs)

Particulars	**As At March 31, 2024**	**As At March 31, 2023**
Within the credit period	24,030.18	41,882.77
Upto 6 months past due	2,086.96	1,491.65
More than 6 months past due	1,612.78	428.56
Total	**27,729.93**	**43,802.98**

The Group has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information's.

(c) Liquidity risk

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

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

(Amount ₹ in Lakhs)

Particulars	1 month - 1 year	1 year - 3 years	More than 3 years
Long term borrowings	**1,344.63**	**1,834.34**	**-**
	(2,313.05)	(2,810.80)	(377.73)
Short term borrowings	**6,824.71**	**-**	**-**
	(4,276.13)	-	-
Trade payables	**23,022.44**	**1,508.93**	**14.24**
	(30,715.69)	(471.54)	(8.21)
Lease Liabilities	**2,386.04**	**4,398.85**	10,842.32
	(2,411.03)	(3,851.30)	(12,121.67)
Other financial liabilities	**1,430.28**	**1,975.00**	**-**
	(3,098.76)	-	(2,812.50)

Previous year figures are in bracket

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

(Amount ₹ in Lakhs)

Particulars	1 month - 1 year	1 year - 3 years	More than 3 years
Trade and other receivables	**27,367.20**	**291.88**	-
	(43,517.96)	(214.17)	-
Investments in mutual funds	**17,074.55**	-	-
	(10,448.74)		-
Loans / Deposits	**-**	-	**1,639.87**
	(140.17)	-	(1,563.90)
Other financial assets	**5,036.91**	**-**	**-**
	(141.45)	-	-

Previous year figures are in bracket

The Group has access to committed credit facilities as described below at the end of the reporting year. The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(Amount ₹ in Lakhs)

Credit facilities	As at March 31, 2024	As at March 31, 2023
Amount used	**6,330.38**	4,276.13
Amount unused	**8,246.62**	3,995.51

54 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD -115 ARE GIVEN BELOW

(i) The Group derives revenues from sale of goods, scrap and services from its contracts with customers. The revenues have been disclosed in Note No. 37 "Revenue from Operations".

(ii) For Geographical revenue refer Note No. 51.

(iii) The Group does not have any contract asset. The opening and closing balances of trade receivables and Contract liability are as under:

(Amount ₹ in Lakhs)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Trade Receivables (Refer note no. 16)	**27,659.08**	43,732.13
Contract Liability (Refer note no. 35)		
- Advances from customers	**13,564.33**	14,919.54

(iv) There is no transaction price which is yet to be recognized on account of remaining outstanding performance obligation.

55 RELATED PARTY DISCLOSURES:

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

(A) Holding Company:

Thakur Devi Investments Private Limited

(B) Key Managerial Personnel:

Mr. Sudhir Kumar Munjal	Chairman and Managing Director
Mrs. Anju Munjal	Whole-time Director
Mr. Anuj Munjal	Whole-time Director
Mr. B. P. Yadav	Chief Financial Officer
Mr. Rakesh Johari	Company Secretary
Mr. Vikram Shah	Independent Director
Mr. Naresh Kumar Chawla	Independent Director
Mr. Mahendra Sanghvi	Independent Director
Mr. Ramkisan Devidayal	Independent Director
Mr. Sudesh Kumar Duggal	Independent Director
Mr. Jal Ratanshaw Patel	Independent Director
Ms. Avi Sabavala	Independent Director

(C) Enterprise in which directors and their relatives are directors/ partners / members / trustees :

Sara Training and Education LLP
Sara Investment Services Private Limited
Fetlock Traders Private Limited
Inder Mohini Bhasin Charitable Foundation
Sara Investments
Munjal Auto Industries Limited Employees Gratuity Trust Account
Sudhir Kumar & Sons HUF
Munjal Auto Industries Limited Employees Superannuation Trust Account
Accelerated Learning Edutech Private Limited

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

(Amount ₹ in Lakhs)

Nature of transaction	Holding Company	Enterprise in which directors and their relatives are partners / members / trustees	Key managerial personnel	Total
Remuneration paid	-	-	**1,574.80**	**1,574.80**
	-	-	(1,568.49)	(1,568.49)
Mr. Sudhir Kumar Munjal	-	-	**544.34**	**544.34**
	-	-	(544.34)	(544.34)
Mrs. Anju Munjal	-	-	**476.30**	**476.30**
	-	-	(476.30)	(476.30)
Mr. Anuj Munjal	-	-	**476.30**	**476.30**
	-	-	(476.30)	(476.30)
Mr. B. P. Yadav	-	-	**45.49**	**45.49**
	-	-	(42.12)	(42.12)
Mr. Rakesh Johari	-	-	**32.39**	**32.39**
	-	-	(29.44)	(29.44)
Sitting fees paid	-	-	**28.04**	**28.04**
	-	-	(32.12)	(32.12)
Mr. Vikram Shah	-	-	**4.94**	**4.94**
	-	-	(5.22)	(5.22)
Mr. Naresh Kumar Chawla	-	-	**5.90**	**5.90**
	-	-	(6.30)	(6.30)
Mr. Mahendra Sanghvi	-	-	**1.40**	**1.40**
	-	-	(3.20)	(3.20)
Mr. Ramkisan Devidayal	-	-	**4.10**	**4.10**
	-	-	(4.50)	(4.50)
Mr. Sudesh Kumar Duggal	-	-	**5.00**	**5.00**
	-	-	(5.40)	(5.40)
Mr. Jal Ratanshaw Patel	-	-	**4.10**	**4.10**
	-	-	(4.50)	(4.50)
Ms. Avi Sabavala	-	-	**2.60**	**2.60**
	-	-	(3.00)	(3.00)
Dividend Paid	**1,496.13**	-	-	**1,496.13**
	(748.06)	-	-	(748.06)
Thakurdevi Investments Private Limited	**1,496.13**	-	-	**1,496.13**
	(748.06)	-	-	(748.06)
Rent Paid	-	**210.65**	-	**210.65**
	-	(209.05)	-	(209.05)
Sara Investments	-	**210.65**	-	**210.65**
	-	(209.05)	-	(209.05)

Balance as at **(Amount ₹ in Lakhs)**

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Remuneration payable	**39.51**	**52.78**
Mr. Sudhir Kumar Munjal	**13.49**	20.10
Mrs. Anju Munjal	**9.64**	11.31
Mr. Anuj Munjal	**11.60**	17.70
Mr. B. P. Yadav	**2.60**	2.38
Mr. Rakesh Johari	**2.17**	1.28

Category-wise break up of compensation to key management personnel during the year is as follows:

(Amount ₹ in Lakhs)

Particulars	**For the year ended March 31, 2024**	**For the year ended March 31, 2023**
Short-term employee benefits	**1,389.68**	1,384.03
Post-employment benefits (excluding leave encashment)	**185.12**	184.46

(D) Terms and conditions of transactions with related parties:

(i) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

(ii) There is no allowance account for impaired receivables in relation to any outstanding balances and no expense has been recognised in respect of impaired receivables due from related party.

(iii) All Outstanding balances are unsecured and are repayable/receivable in cash.

55 Ageing :

A Trade receivables ageing schedules

(Amount ₹ in Lakhs)

FY 2023-24

Sr. No.	**Particulars**	**Unbilled payables**	**Not due**	**Outstanding for following periods from due date of payment**					**Total**
				Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	
1	**Trade receivables**								
	(i) Considered good – unsecured								
	(a) Undisputed trade receivables	-	24,030.18	2,086.96	1,250.05	62.73	229.15	-	**27,659.08**
	(b) Disputed trade receivables								
	(ii) Trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
	(a) Undisputed trade receivables	-	-	50.96	-	-	19.88	-	**70.84**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	**-**
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	50.96	-	-	19.88	-	**70.84**
	TOTAL	**-**	24,030.18	2,086.96	1,250.05	62.73	229.15	-	27,659.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Trade receivables ageing schedules **(Amount ₹ in Lakhs)**

FY 2022-23

Sr. No.	Particulars	Unbilled payables	Not due	Outstanding for following periods from due date of payment					Total
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
1	**Trade receivables**								
	(i) Considered good – unsecured								
	(a) Undisputed trade receivables	-	41,882.77	1,440.69	194.50	122.06	92.11	-	**43,732.13**
	(b) Disputed trade receivables								
	(ii) Trade receivables – credit impaired	-	-	-	-	-	-	-	**-**
	(a) Undisputed trade receivables	-	-	50.96	-	-	3.03	16.85	**70.84**
	(b) Disputed trade receivables	-	-	-	-	-	-	-	**-**
	Less: Allowance for bad and doubtful debts/ allowance for expected credit loss	-	-	50.96	-	-	3.03	16.85	**70.84**
	TOTAL	**-**	**41,882.77**	**1,440.69**	**194.50**	**122.06**	**92.11**	**-**	**43,732.13**

B Trade Payables Ageing Schedules

(Amount ₹ in Lakhs)

Sr. No.	Particulars	Unbilled payables	Not due	Outstanding for following periods from due date of payment					Total
				Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
FY 2022-23									
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)	-	-	-	-	-	-	-	**-**
	- Disputed dues	-	-	-	-	-	-	-	**-**
	- Undisputed dues	-	647.91	170.86	3.39	-	-	-	**822.15**
	Total of (1)		**647.91**	**170.86**	**3.39**	**-**	**-**	**-**	**822.15**
2	(i) Dues to others								
	- Disputed dues	-	-	-	-	-	-	-	**-**
	- Undisputed dues	-	18,190.97	2,944.00	906.57	1,376.25	210.67	95.00	**23,723.46**
	Total of (2)	**-**	**18,190.97**	**2,944.00**	**906.57**	**1,376.25**	**210.67**	**95.00**	**23,723.46**
	Grand total (1+2)	**-**	**18,838.88**	**3,114.86**	**909.96**	**1,376.25**	**210.67**	**95.00**	**24,545.61**
FY 2022-23									
1	(i) Dues to Micro, Small and Medium Enterprises (MSME)	-	-	-	-	-	-	-	**-**
	- Disputed dues	-	-	-	-	-	-	-	**-**
	- Undisputed dues	-	3,439.05	536.58	-	-	-	6.82	3,982.45
	Total of (1)		**3,439.05**	**536.58**	**-**	**-**	**-**	**6.82**	**3,982.45**
2	(i) Dues to others								
	- Disputed dues	-	-	-	-	-	-	-	**-**
	- Undisputed dues	-	21,561.05	3,596.66	1,472.71	491.81	21.19	69.56	27,213.00
	Total of (2)	**-**	**21,561.05**	**3,596.66**	**1,472.71**	**491.81**	**21.19**	**69.56**	**27,213.00**
	Grand total (1+2)	**-**	**25,000.10**	**4,133.24**	**1,472.71**	**491.81**	**21.19**	**76.39**	**31,195.45**

57 RELATIONSHIP WITH STRUCK OFF COMPANIES

Details on relationships with struck off companies - holding company

(Amount ₹ in Lakhs)

Name of the struck off company	Nature of transactions with struck off company	March 31, 2024		March 31, 2023	
		Balance outstanding	Relationship with the struck off company, if any	Balance outstanding	Relationship with the struck off company, if any
Aeiforos Technologies Pvt Ltd	Payables	8.60	NA	8.60	NA
Corporate Designz Private Limited	Receivables	0.03	NA	0.03	NA
Kay Jay Leasing Ltd	Shares held by struck off company	0.01	NA	0.01	NA
K S M Investments Pvt Ltd		0.13	NA	0.13	NA
Vaishak Shares Limited		0.00 *	NA	0.00 *	NA
J V A Enterprises Private Ltd.		0.08	NA	0.08	NA
Idafa Investments Private Ltd		0.00 *	NA	0.00 *	NA
Dreams Broking Pvt Ltd		0.00 *	NA	0.00 *	NA
Arihant Cap.Mkts Ltd		0.00 *	NA	0.00 *	NA

* Amount is below rounding off norms adopted by the Company

58 Additional information to the consolidated financial Statements as per the general Instructions of schedule III to the Companies Act, 2013 is as under:

Name of the entity	Net assets (Total assets- total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	As % of consolidated other comprehensive income	₹ in lakhs	As % of consolidated total comprehensive income	₹ in lakhs
Parent Company								
Munjal Auto Industries Limited	99.83%	41,018.61	103.79%	3,946.93	120.19%	(184.14)	103.10%	3,762.79
Subsidiaries								
Indian								
Indutch Composites Technology Private Limited	6.49%	2,668.36	-5.63%	(214.26)	-20.19%	30.94	-5.02%	(183.32)
Less: Non Controlling Interest	-2.36%	(967.80)	-1.21%	(46.08)	-6.46%	9.90	-0.99%	(36.18)
Eliminations	-3.97%	(1,632.04)	3.06%	116.34	6.46%	(9.90)	2.92%	106.44
Total	**100.00%**	**41,087.13**	**100.00%**	**3,802.93**	**100.00%**	**(153.21)**	**100.00%**	**3,649.73**

59 Additional regulated information required by Schedule III to the Companies Act 2013;

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

(b) The Group does not have any Benami property and no proceedings have been initiated or pending against the Group for holding any Benami property.

(c) (A) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

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

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

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

(d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(e) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(f) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority during the year.

(g) The title deeds including agreements for all the immovable properties including leasehold land are in the name of the Company.

(h) Borrowings are made from banks/ FI on the basis of security of current asset. The returns or statements viz. Financial follow-up report/Financial report filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the said period.

(i) The Company has complied with the number of layers of companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

60 The Board of Directors of Holding Company have considered and recommended a dividend @ 100% i.e. ₹ 2 per equity share on face value of ₹ 2 per equity share for the financial year 2023-24 subject to approval of members of the Holding Company.

61 The Consolidated Financial Statements of the Group are approved by the Board of Directors on 24 May, 2024.

As per our report of even date attached
For K C Mehta & Co LLP
Chartered Accountants
Firm Registration No. 106237W/W100829

Neela R. Shah
Partner
Membership No. 045027

Place : Vadodara
Date : May 24, 2024

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

Place : Gurugram
Date : May 24, 2024

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": Subsidiary

Sr. No.	Particulars	Name of Subsidiary	
1	Name of subsidiary	**Indutch Composites Technology Private Limited**	
2	Date since when subsidiary was acquired	22-May-18	
3	Reporting period for the subsidiary concerned	2023-24	2022-23
4	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiary	INR (`) in Lakhs	INR (`) in Lakhs
5	Share capital	421.55	421.55
6	Reserves and surplus	2,246.81	2,430.13
7	Total assets	58,358.07	55,256.86
8	Total liabilities	55,689.71	52,405.18
9	Investments	-	-
10	Turnover	55,937.91	40,283.23
11	Profit before taxation	(169.70)	(2,324.94)
12	Provision for taxation	44.56	(778.43)
13	Profit after taxation	(214.26)	(1,531.31)
14	Proposed dividend	-	-
15	Extent of shareholding (in %)	68%	68%

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
Not Applicable

For and on behalf of the Board of Directors of
Munjal Auto Industries Limited

Sudhir Kumar Munjal
Chairman & Managing Director
DIN - 00084080

Anju Munjal
Whole Time Director
DIN - 00007867

Sunil Chinubhai Vakil
Chairman, Audit Committee
DIN: 02527630

Place : Vadodara
Date : May 24, 2024

Rakesh Johari
Company Secretary

B P Yadav
Chief Financial Officer

MUNJAL AUTO
INDUSTRIES LIMITED

Registered Office: 187, GIDC Industrial Estate,
Waghodia 391 760,
Dist. Vadodara, (Gujarat)
Tel. Nos. (+91 02668) 262421-22
Fax No. (+91 02668) 262427