

Rasandik Engineering Industries India Limited



RASANDIK

Passion For Excellence

corpadm@rasandik.com

www.rasandik.com

CIN: L74210HR1984PLC032293

E-Filing/Online Filing

July 8, 2024

**THE STOCK EXCHANGE MUMBAI (BSE)
1st FLOOR, NEW TRADING RING
ROTUNDA BUILDING
P.J. TOWERS, DALAL STREET
FORT, MUMBAI – 400 001**

Stock Code: 522207

Sub: Annual Report for the Financial Year 2023-2024 along with notice of the 40th Annual General Meeting of the Company – Intimation under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

The **Annual Report for the Financial Year 2023-2024**, alongwith Notice convening 40th Annual General Meeting is enclosed herewith for your record.

The details such as manner of (i) registering / updating email addresses, (ii) casting vote through remote Evoting and (iii) attending the 40th AGM to be held on Wednesday, July 31, 2024, at 11:00 A.M. (IST) through Video Conferencing('VC')/Other Audio Visual Means ('OAVM') has been set out in the Notice of the AGM.

Annual Report 2023-2024 containing the notice of AGM is also uploaded on the Company's website www.rasandik.com.

This is for your information and record please.

Thanking you,

Yours faithfully,
For Rasandik Engineering Industries India Limited


Pradeep Chandra Nayak
Company Secretary
Encl: As above



40th ANNUAL
REPORT
2023-24



RASANDIK
Passion For Excellence



MOVING TO NEW HORIZON



Specific Passage

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An electronic version of this report is available online at:
<http://www.rasandik.com/report.html> Scan this QR code
to navigate investor-related information:



Disclaimer:

This document contains statements about expected future events and financials of Rasandik Engineering Industries India Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Investor Information

Market Capitalization as at 31 March, 2024	Rs. 49.68 Crs
CIN	L74210HR1984PLC032293
BSE Code	522207
Bloomberg Code	RSDE:IN
AGM Date	31 JULY, 2024
AGM Venue	Video conference and other audio-visual means ("VC")

Moving to New Horizon

Rasandik Engineering Industries India Limited stands as a beacon of innovation, versatility, and agility. As the company navigates forward, it continuously evolves, amplifying its capacity and capabilities to meet the ever-changing demands of the industry. Leading the charge in automotive component manufacturing, Rasandik has established a reputation for pioneering cutting-edge technologies. The company relentlessly pursues perfection, consistently raising the bar and setting new benchmarks in the industry.

As Rasandik maps its journey into the future, it recognizes the rapid transformation in the transportation landscape, driven by the rise of electric vehicles (EVs). With a global shift towards a sustainable future, advancements in technology and infrastructure have made EVs more accessible and affordable for consumers.

With a strategic focus on growth opportunities, Rasandik is poised to capitalize on the Electric Three-Wheeler (E-Auto) market. Guided by its core philosophy of 'Passion for Excellence,' it launched the 'SAMRAT' brand in 2022—an innovative range of L5 category vehicles. Through its unwavering commitment to sustainability and customer satisfaction, Rasandik is at the forefront of driving the transformation to the future, crafting mobility solutions that contribute to a cleaner, greener, and more advanced tomorrow.



Product Portfolio



Employees



State-of-the-art
Manufacturing

**Electric Vehicle Manufacturing,
Sheet Metal Fabrication**

Business Division

Shaping the Transportation of Tomorrow

Rasandik Engineering Industries India Limited isn't simply chasing innovation; we're actively shaping the future of mobility. Our core values – innovation, versatility, and agility – are the DNA of our approach. We constantly evolve, expanding our capabilities and pioneering groundbreaking solutions that anticipate the next level of transportation.

The landscape of transportation is undergoing a seismic shift, driven by the unstoppable rise of electric vehicles (EVs). As the world embraces a sustainable future, Rasandik is at the forefront of this revolution. Advancements in technology and infrastructure are paving the way for a world dominated by EVs, and we're actively crafting the ecosystem that will power this revolution.

With a keen eye for disruptive potential, Rasandik has seized the opportunity within the burgeoning Electric Three-Wheeler (E-Auto) market. Guided by our unwavering "Passion for Excellence," we didn't just enter the space in 2022 with the "SAMRAT" brand – we revolutionized it. This pioneering range of L5 category vehicles is just the first step in our vision for the future.

Sustainability and customer satisfaction are the cornerstones of our mission. We are committed to engineering intelligent mobility solutions that not only empower individuals but also contribute to a cleaner, greener world. With Rasandik, the future of transportation isn't a distant vision – it's a reality we're actively building.



Mission

- To leverage high-end TWB auto component requirements of the OEMs in the auto sector
- To focus on expanding the product portfolio in the Sheet Metal segment
- To Build capabilities for electrical three-wheelers based on lithium batteries
- To target exports to the extent of 10% of turnover



Vision

- To build capabilities for the design and manufacture E-Auto (L5 Category)
- To enhance presence in Electric Vehicle Market



Values

- Quality • Cost • Delivery • Development

42+

Years of
Excellence

TWB, Tool and Dies Electric Vehicles

Critical Engineering Components

Pioneering a Sustainable Future

Throughout its history, Rasandik Engineering Industries India Limited has consistently embraced a forward-thinking approach. This agility allows us to anticipate industry shifts and deliver innovative solutions that shape the future of mobility. We've harnessed the potential of electric vehicles (EVs) with unwavering commitment, investing in cutting-edge technologies to become a trusted partner in this rapidly growing market.

Leading the Charge in Electric Mobility

The transportation landscape is undergoing a transformative shift towards a greener future, and Rasandik is at the forefront of this revolution. We're not just manufacturing EV components – we're pioneering groundbreaking solutions. Our "SAMRAT" brand exemplifies this dedication, offering a revolutionary range of L5 category electric vehicles.

These zero-emission vehicles align perfectly with the government's push for sustainable transportation, providing a unique driver-plus-six passenger configuration and customizable options for diverse needs.

Beyond the Road: Expanding Our Expertise

Rasandik's vision extends beyond the road. We continuously explore opportunities to leverage our expertise in new domains. Laser Tailor-Welded Blanks, for instance, represent a glimpse into the future of lightweight, high-strength automotive structures. These innovative components hold immense potential for lucrative business opportunities, offering substantial growth and attractive profit margins.





A Commitment to Existing Customers

While shaping the future of mobility, Rasandik remains dedicated to serving existing customers. Our well-established home product line, encompassing everything from ironing boards to clothes hangers, caters to everyday needs. Manufactured within a single, state-of-the-art facility in Greater Noida, India, these products have a global reach, exported to countries across the world, while also readily available through various e-commerce platforms within India. This commitment makes Rasandik a one-stop shop for diverse consumer demands.

Building on a Legacy of Excellence

Our legacy in press tool engineering and component manufacturing – from press tools and dies to skin panels, fuel tanks, and chassis parts – remains a core strength. This expertise fuels our ability to innovate and adapt, ensuring Rasandik remains a leader in the ever-evolving engineering landscape. As we move forward, we leverage this experience to continuously push the boundaries and shape a brighter, more sustainable future.



Powering the Path to a Sustainable Future

The global electric vehicle (EV) market is charging ahead at an extraordinary pace, with projections indicating sales of 10 million units by 2025. India is emerging as a frontrunner in this revolution, becoming one of the fastest-growing EV markets worldwide. This surge is fueled by bold government initiatives and a growing wave of environmental consciousness. As the world races toward a sustainable future, the rise of electric vehicles is key to creating a cleaner, greener transportation ecosystem.

Among the myriad of sustainable transportation solutions, electric three-wheelers (E-Auto) are making a significant impact, especially in India. These vehicles have captured the hearts of many due to their affordability, fuel efficiency, and minimal maintenance needs. The Indian E-Auto market is booming, driven by competitive pricing, perfect suitability for short-distance travel, and increasing adoption by individuals and businesses alike, signaling a transformative shift.

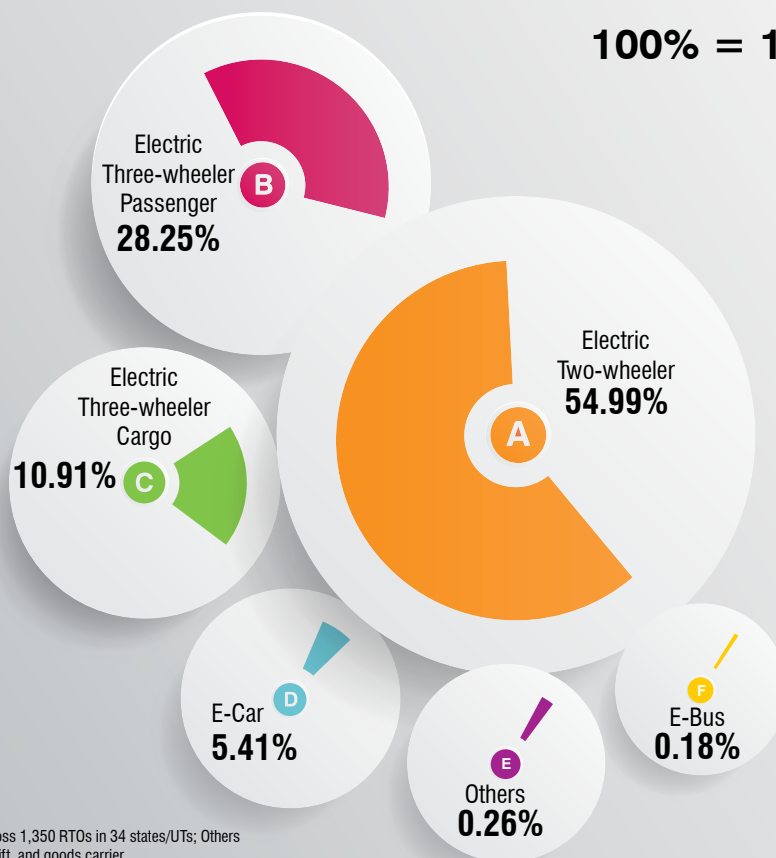
E-Auto not only deliver cost savings but also offer substantial environmental benefits by reducing air and noise pollution. Moreover, the government's unwavering support for promoting electric vehicles, including E-Auto, is accelerating the market's growth and innovation.

With a sharp focus on sustainability and cutting-edge innovation, the rise of E-Auto and other EVs exemplifies a commitment to a future where transportation is eco-friendly and efficient. This momentum is setting the stage for a cleaner, greener, and more sustainable world, where every journey contributes to a brighter tomorrow.



Category wise EV Sales in India-May'24

100% = 1,39,738 units



Source: Vahan Dashboard, JMK Research

Note: Sales figures represent EVs registered across 1,350 RTOs in 34 states/UTs; Others include adapted vehicle, agricultural tractor, forklift, and goods carrier.

A Legacy of Innovation and Customer Focus

Driven by a relentless "Passion for Excellence," Rasandik has established itself as a pioneer in introducing new technologies within the automotive component manufacturing industry. This dedication to innovation continues with the launch of our "SAMRAT" brand – a revolutionary line of electric three-wheeler (E-Auto) unveiled in 2022 after meticulous design and development.

The "SAMRAT" range prioritizes quality, reliability, and affordability, all while ensuring timely delivery and exceptional customer service. We offer a diverse selection of variants to cater to various needs, including passenger vehicles, load carriers (both deck and delivery van), and even a garbage carrier. In the passenger segment, we take pride in offering a unique "Driver + 6" option, alongside the traditional "Driver + 3" configuration, providing unmatched flexibility for families and businesses.

Beyond technical innovation, Rasandik remains committed to environmental responsibility. The "SAMRAT 6," with its electric motor and zero-emission operation, exemplifies this commitment. Furthermore, it requires no special permits for operation, offering a user-friendly and eco-conscious choice for our customers. Ultimately, our mission is to ensure "Customer Delight" by exceeding expectations at every touchpoint.

SAMRAT CHIEF R05 PLUS: 7-Seater Passenger Electric Auto



The SAMRAT CHIEF R05 PLUS is a robust and efficient 7-seater passenger electric three-wheeler. It features an extra-strong ladder chassis and heavy-duty front suspension, complemented by heavy-duty leaf springs tested up to 1100 kg load. Powered by a PMSM motor and controller on a 60V platform with 94% efficiency, it offers three speed modes: Normal, ECO, and Sport, ensuring a smooth and comfortable drive. The motor provides 30% more torque than standard motors, enabling smooth hill driving and enhanced climbing and load capacity. It achieves speeds of 50-55 km/h unloaded and 45-50 km/h fully loaded, with a full load climbing ability of 7°-20°. Equipped with 3.75-12, 6-ply MRF tires, it ensures excellent stability, control, and grip on any terrain.

SAMRAT CHIEF R05: 4-Seater Passenger Electric Auto



The SAMRAT CHIEF R05 is a sturdy and efficient 4-seater passenger electric three-wheeler. It features an extra-strong ladder chassis, heavy-duty front suspension, and leaf springs tested up to 1100 kg load. Powered by a high-efficiency PMSM motor and controller on a 60V platform, it offers three speed modes: Normal, ECO, and Sport, ensuring a smooth and comfortable drive. The motor provides 30% more torque than standard motors, enabling smooth hill driving and enhanced climbing and load capacity. It achieves speeds of 50-55 km/h unloaded and 45-50 km/h fully loaded, with a full load climbing ability of 7°-20°. Equipped with 3.75-12, 6-ply MRF tires, it ensures excellent stability, control, and grip on any terrain.

**SAMRAT CHIEF DV05:
Delivery Van Electric
Auto**



The SAMRAT CHIEF DV05 is a robust and efficient delivery van three-wheeler electric auto. It features an extra-strong ladder chassis, heavy-duty front suspension, and leaf springs tested up to 1100 kg load. Equipped with a high-efficiency PMSM motor and controller on a 60V platform, it offers three speed modes: Normal, ECO, and Sport for smooth and comfortable driving. The motor provides 30% more torque than standard motors, ensuring smooth hill driving and enhanced climbing and load capacity. It achieves speeds of 50-55 km/h unloaded and 45-50 km/h fully loaded, with a full load climbing ability of 7°-20°. The vehicle is fitted with 3.75-12, 6-ply MRF tires for excellent stability, control, and grip on any terrain.

**SAMRAT CHIEF G05HX:
Garbage Tipper Electric
Auto**



The SAMRAT CHIEF G05HX is a durable and efficient garbage tipper three-wheeler electric auto. It features an extra-strong ladder chassis, heavy-duty front suspension, and leaf springs tested up to 1100 kg load. Powered by a high-efficiency PMSM motor and controller on a 60V platform, it offers three speed modes: Normal, ECO, and Sport for smooth and comfortable driving. The motor provides 30% more torque than standard motors, ensuring smooth hill driving and enhanced climbing and load capacity. It achieves speeds of 50-55 km/h unloaded and 45-50 km/h fully loaded, with a full load climbing ability of 7°-20°. The vehicle is fitted with 3.75-12, 6-ply MRF tires for excellent stability, control, and grip on any terrain.

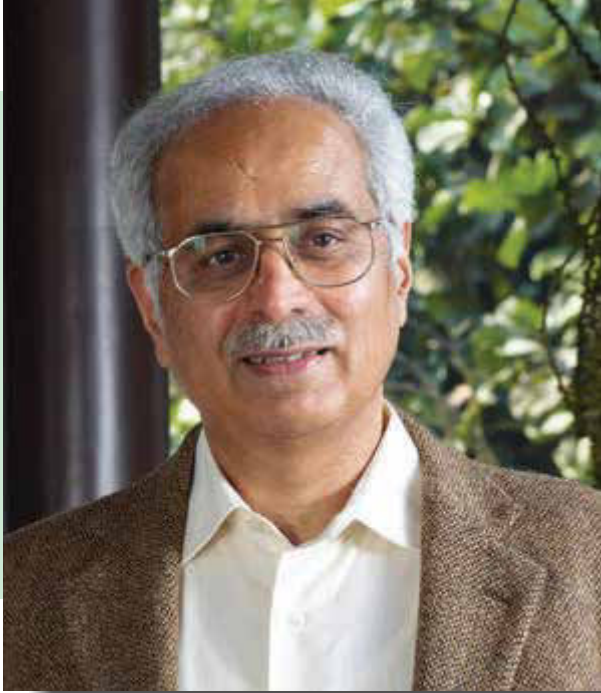
**SAMRAT CHIEF LOADER:
Loader Three-Wheeler
Electric Auto**



The SAMRAT CHIEF LOADER is a robust and efficient loader three-wheeler electric auto. It boasts an extra-strong ladder chassis, heavy-duty front suspension, and leaf springs tested to handle loads up to 1100 kg. Featuring a high-efficiency PMSM motor and controller on a 60V platform, it provides three speed modes: Normal, ECO, and Sport, ensuring a smooth and comfortable drive. The motor delivers 30% more torque than standard motors, allowing for smooth hill driving and enhanced climbing and load capacity. It achieves speeds of 50-55 km/h unloaded and 45-50 km/h fully loaded, with a full load climbing ability of 7°-20°. The vehicle is equipped with 3.75-12, 6-ply MRF tires for excellent stability, control, and grip on any terrain.

Chairman's Communique

Embracing a Sustainable Future: A Shareholder Address



Anticipating Market Trends, Driving Growth:



At Rasandik, we have been attentively tracking the changing consumer preferences, and the growing demand for electric vehicles aligns perfectly with our vision. We have proactively enhanced our manufacturing capabilities to meet these evolving needs. Strategically, we are focused on expanding our footprint in the L5 Category electric vehicle market, aiming to increase our revenue and solidify our industry leadership.



Dear Shareholders,

As we gather today, I want to delve deeper into the transformative year Rasandik has experienced in 2023-24. While global inflationary pressures tested our industry, India's remarkable resilience shone through. The National Statistical Office reports a 7.2% growth rate for India's economy, a testament to its strength amidst international turmoil. This underscores the crucial role India plays in the global economic landscape.

Navigating Headwinds and Seizing Opportunities

The three-wheeler segment has been a standout performer. A

staggering 87% growth points towards a significant shift towards electric vehicles (EVs). This rise can be attributed to several factors perfectly aligned with India's growth.

Short-distance travel: Three-wheelers excel in covering shorter distances, a characteristic ideal for urban commutes and intra-city transportation.-

High load capacity:

They offer superior load capacity compared to two-wheelers, making them well-suited for carrying passengers or goods.-

Single-charge efficiency:

With the ability to operate for a full

day with a single charge, they provide cost-effective and efficient mobility solutions.

Rasandik: A Leader in Sustainable Mobility Solutions

At Rasandik, we recognize the immense potential of the EV sector. We're not just keeping pace; we're actively shaping this revolution. We're leveraging our expertise and resources to drive innovation and deliver cutting-edge solutions that address the specific needs of the Indian market. We are steadfast in our commitment to capitalize on these favorable conditions and provide high-quality, cost-effective products to our customers.

A key example of this commitment is the launch of our "SAMRAT" brand – a revolutionary range of L5 category electric vehicles. These meticulously crafted products prioritize quality, reliability, and affordability. Each vehicle is meticulously engineered to ensure optimal performance, durability, and minimal maintenance requirements. We take pride in our commitment to timely delivery and exceptional customer service, ensuring a seamless experience for all SAMRAT owners.

The "SAMRAT" Advantage: Versatility and Sustainability

The "SAMRAT" range offers a diverse selection of variants to cater to various needs and applications. Our passenger vehicles include a unique "Driver + 6" option alongside the traditional "Driver + 3" configuration. This unmatched flexibility empowers families and businesses to choose the ideal

vehicle for their specific transportation needs.

Additionally, "SAMRAT" offers both load carrier and delivery van variants, ideal for commercial applications. These efficient and reliable solutions ensure seamless goods transportation, making them perfect for businesses of all sizes. We understand the critical role efficient logistics plays in our economy, and the SAMRAT range aims to empower businesses to operate more sustainably.*Sustainability at the Core: A Commitment to a Greener Future*The "SAMRAT" range prioritizes sustainability, aligning perfectly with Rasandik's core values. These zero-emission electric vehicles minimize environmental impact by eliminating tailpipe emissions, contributing significantly to cleaner air and a healthier planet. Additionally, "SAMRAT" vehicles require no special permits for operation, making them a user-

friendly and eco-conscious choice, eliminating regulatory hurdles for our customers.

Looking Ahead: Charting a Course for Shared Success

As we embark on this journey towards a sustainable future, I express my sincere gratitude to all our stakeholders. The unwavering support of the Board, shareholders, customers, investors, suppliers, and everyone who has placed their trust in us has been instrumental in our success. We are deeply committed to this shared vision of a sustainable transportation future.

Moving forward, we remain dedicated to pursuing continued growth through strategic investments.

Rajiv Kapoor

Chairman & Managing Director

Commanding with Visionary Thinking



Shri Rajiv Kapoor
Founder, Promoter & Managing Director

Shri Kapoor founded Rasandik Engineering Industries India Limited in 1986. As an alumnus of IIT Delhi and a first-generation entrepreneur, he demonstrated remarkable foresight by recognizing the growth potential in the auto component manufacturing industry early on. His unwavering commitment to leveraging advanced technology, fostering continuous product innovation, and delivering top-quality products with timely supply has elevated Rasandik to a leading position among automobile component suppliers.



Dr. Shyam Sunder Sethi
Non-Executive Independent Director

Dr. Sethi, an alumnus of IIT Kharagpur with a Ph.D. from Delhi University, brings a wealth of experience to the table. His impressive 30-year career in industrial operations spans both India and overseas markets. Dr. Sethi's leadership as the former Executive Vice President of Operations for Whirlpool's Southeast Asia region exemplifies his global expertise. He further strengthens the team by sharing his knowledge as an honorary faculty member at IIT Delhi, demonstrating a commitment to both industry and academia.



Shri A. R. Halasyam
Non-Executive Independent Director

Shri Halasyam, a management graduate, brings over 37 years of extensive industry experience, having served in management roles with public sector companies since 1982. From 1991 to 2001, he was the Finance Director and a Member of the Executive Board at Maruti Udyog Limited. An expert in treasury management, project management, project financing, and business development, Shri Halasyam has significantly enhanced Rasandik's employee management capabilities with his expertise.



Smt Deepika Kapoor
Founder, Promoter & Director

Smt. Kapoor is an accomplished educationist with extensive experience in human relations, company management, and general administration. She serves as a Woman Director on the Board.



Shri M. S. Ramaprasad
Non-Executive Independent Director

Shri. Ramaprasad, a B.Sc graduate and LLB holder, boasts over 37 years of distinguished experience in industrial management. His entrepreneurial spirit is evident in his role as proprietor of Saraswathi Rice & Oil Mills in Nanjangud, Karnataka. Shri. Ramaprasad's commitment extends beyond his own company, as evidenced by his role as a founding member and current President (four years) of the Nanjangud Industries Association. His leadership and expertise are valuable assets to the organization.



Shri Abhay Kumar Khanna
Non-Executive Independent Director

Shri Abhay Kumar Khanna brings a distinguished record of public service to the table. His rich academic background in public administration is complemented by a Masterclass program for Independent Directors from the Institute of Directors (IOD). Over 36 years with the Government of India (GOI) saw him excel in diverse areas, including serving as Additional Member Budget for the Ministry of Railways (MOR). His experience extends to Construction Organisation, Research Design and Standards Organisation (RDSO), and Economic Directorates within the MOR. Shri Khanna's commitment to good governance is further evidenced by his current role as an Executive Member of the IOD Board and Independent External Monitor for GOI Public Sector Undertakings (PSUs) like Rail India Technical and Economic Service (RITES) and Brahmaputra Valley Fertiliser Corporation Limited (BVFCL). His expertise strengthens Rasandik's corporate governance framework.

Corporate Information

BOARD OF DIRECTORS

Shri Rajiv Kapoor

Chairman & Managing Director

Smt Deepika Kapoor

Director

Dr. Shyam Sunder Sethi

Independent Director

Shri M. S. Ramaprasad

Independent Director

Shri A. R. Halasyam

Independent Director

Shri Abhay Kumar Khanna

Independent Director

CHIEF FINANCIAL OFFICER

Shri Gautam Bhattacharya

COMPANY SECRETARY

Shri Pradeep Chandra Nayak

AUDITORS

M/s. V. Sankar Aiyar Co.,

Chartered Accountants

Sarojini House, 6 Bhagwan Das Road, New Delhi - 110001

BANKERS

Punjab National Bank

Indian Bank

Registrar & Share Transfer Agent

Link Intime India Private Limited

1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market,

Janakpuri, New Delhi-110058

Tel No : +91 11-49411000

E-mail id : delhi@linkintime.co.in

Website : www.linkintime.co.in

REGISTERED OFFICE

Rasandik Engineering Industries India Limited

Plot No. 1, Roz-Ka-Meo Industrial Area,

Distt.-Nuh, Haryana-122103

CIN No: L74210HR1984PLC032293

Registered Office & Plant I	Plant II	Plant III	Plant IV
Plot No.1, Roz-Ka-Meo Industrial Area, Sohna, District- Nuh, Haryana – 122103	A-1/2-2 & A-1/2-3 Surajpur Industrial Area, Site - B, Greater Noida Uttar Pradesh -201306	E-82 & 83, MIDC, Ranjangaon, Pune Maharashtra - 412220	Kanwarsika, Sohna District- Nuh, Haryana-122103

RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED

(CIN: L74210HR1984PLC032293)

Reg. Off: Plot No. 1, Roj-Ka-Meo Industrial Area, Sohna, Distt.-Nuh, Haryana - 122103

Web: www.rasandik.com Email: cs@rasandik.com

Dear Member,

You are cordially invited to attend the 40th Annual General Meeting (“AGM”) of the members of **Rasandik Engineering Industries India Limited** (“the Company”) to be held on **Wednesday, July 31, 2024 at 11:00 a.m. IST** through video conference and other audio-visual means (“VC/OVAM”).

The Notice of the meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013 (“the Act”), read with the related rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the LODR Regulations”), the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice.

Very truly yours,

Sd/-

Rajiv Kapoor

Chairman and Managing Director

Enclosures:

1. Notice of the 40th Annual General Meeting
2. Instructions for participation through VC
3. Instructions for e-voting

Note: Attendees who require technical assistance to access and participate in the meeting through VC are requested to contact either of these helpline numbers: Link Intime India Pvt. Ltd.: Tel. 022 - 4918 6175, 022-4918 6000 or email to instameet@linkintime.co.in



NOTICE

NOTICE is hereby given that the 40th Annual General Meeting of the Members of **Rasandik Engineering Industries India Limited** (CIN: L74210HR1984PLC032293) will be held on **Wednesday, July 31, 2024** at 11.00 A.M. (IST) through Video Conference/ Other Audio-Visual means ("VC/OVAM"), to transact the following business.

ORDINARY BUSINESS:

Item No. 1 – ADOPTION OF FINANCIAL STATEMENTS AND THE REPORTS OF THE DIRECTORS AND AUDITORS

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2024 and the Report of Board of Directors of the Company and Auditors thereon.

Item No. 2 – RE-APPOINTMENT OF MRS. DEEPIKA KAPOOR AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mrs. Deepika Kapoor (DIN: 00054799), who retires by rotation and, being eligible, seeks re-appointment.

Explanation: Mrs. Deepika Kapoor, who was appointed as Director and whose office is liable to retire at the ensuing AGM, being eligible, seeks reappointment. Based on performance evaluation and the recommendation of the Nomination and Remuneration committee, the Board recommends her re-appointment.

Therefore, members are requested to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

RESOLVED THAT, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Deepika Kapoor (DIN: 00054799), who retires by rotation, be and is hereby reappointed as a director of the Company.

By Order of the Board
For Rasandik Engineering Industries India Limited

Place: Sohna, Haryana

Date : May 29, 2024

Pradeep Chandra Nayak

Company Secretary

ACS: 15852

**NOTICE (Contd.)****EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 2 of the accompanying Notice dated May 29, 2024.

NOTES:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the special businesses specified above is annexed hereto.
2. The Ministry of Corporate Affairs, Government of India ("MCA") vide its General Circular Nos. 20/2020 and 10/2022 dated 5th May 2020 and 28th December 2022, respectively and Circular no 09/2023 dated 25 September 2023, and other circulars issued in this respect ("MCA Circulars") allowed, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5th January 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Act and the Listing Regulations, the 40th AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 40th AGM shall be the Registered Office of the Company.
3. In terms of the MCA Circulars, physical attendance of members has been dispensed with and, therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 40th AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting through Board Resolution/ Power of Attorney/ Authority Letter, etc., for participation in the 40th AGM through VC/ OAVM facility and e-Voting during the 40th AGM and since the 40th AGM is being held through VC/ OAVM facility, the Route Map is not annexed in this Notice.
4. In line with the Ministry of Corporate Affairs (MCA) Circular, the Notice calling the AGM has been uploaded on the website of the Company at www.rasandik.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of Link Intime (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. <https://instavote.linkintime.co.in>.
5. Attendance of the members participating in the 40th AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for the appointment of proxies by the members will not be available.
7. Members of the Company under the category of Institutional Investors/corporate members are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by email to cs@rasandik.com with a copy marked to instameet@linkintime.co.in.

NOTICE (Contd.)

8. ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

In accordance with, the General Circular No. 20/2020 dated 5th May, 2020 issued by MCA and Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the Annual Report including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

The Annual Report will also be available on the website of the Company at www.rasandik.com in the Investors section.

9. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. July 31, 2024. Members seeking to inspect such documents can send an email to cs@rasandik.com.

10. Voting Rights: Members holding Equity Shares shall have one vote per share as shown against their holding.

11. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the LODR Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the Link Intime India Pvt Ltd. ("Link Intime").

Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding

shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the "Instructions for e-voting" section which forms part of this Notice.

The Board has appointed Mr. Awanish Kumar, (Membership No. FCS 510868) of M/s. AKDC & Associates, Practicing Chartered Accountant, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

12. Members holding share either in physical or dematerialized form, as on cut-off date, i.e. as on Saturday **July 24, 2024**, may cast their votes electronically. The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Sunday, 28 July 2024, 9.00 A.M. IST	Tuesday, 30 July 2024, 5.00 PM IST

The e-voting module will be disabled by Link Intime thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on **July 24, 2024**. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

13. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

14. Any person holding shares in physical form, and non-individual shareholders who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date, i.e. **July 24, 2024**, may obtain the login ID and password by sending a request at delhi@linkintime.com. However, if he / she is already registered with Link Intime for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote. In case of individual shareholders holding

**NOTICE (Contd.)**

- securities in demat mode, who acquire shares of the Company and become members of the Company after the Notice is sent and holding shares as of the cut-off date i.e. **July 24, 2024**, may follow steps mentioned in the Notice under "Instructions for e-votings".
15. In compliance with the Circulars, the Annual Report **2023-2024**, the Notice of the 40th AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company/depository participant(s).
 16. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Link Intime India Private Limited at **delhi@linkintime.com** to receive copies of the Annual Report **2023-2024** in electronic mode.
 17. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 18. Additional information, pursuant to Regulation 36 of the LODR Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
 19. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) and updates of bank account details by every investor holding securities in physical or electronic mode with the Registrar and Share Transfer Agent. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of bank account details to their respective depository participant(s).
 20. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Specified Forms. Members are requested to submit these details to their DP in case the shares are held by them in electronic form, and to the RTA, in case the shares are held in physical form.
 21. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, Link Intime and RTA, and will also be displayed on the Company's website, www.rasandik.com.
 22. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

NOTICE (Contd.)

Remote e-Voting Instructions for shareholders:

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

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

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

OR

User who have not registered for NSDL IDeAS facility:

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

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

- Visit URL: <https://www.evoting.nsdl.com/>
- Click on the "Login" tab available under 'Shareholder/Member' section.

- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be redirected to NSDL depository website wherein you can see "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 - If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

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

OR

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

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

**NOTICE (Contd.)****METHOD 2 - By directly visiting the e-voting website of CDSL.**

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

Individual Shareholders holding securities in demat mode with Depository Participant:

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

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

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

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

1. Visit URL: <https://instavote.linkintime.co.in>

2. Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: -

A. User ID:

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

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

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

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

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

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

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click "confirm" (Your password is now generated).

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

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.

NOTICE (Contd.)

3. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
4. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

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

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*

ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

- b. 'Investor's Name' - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

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

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

**NOTICE (Contd.)****VOTES UPLOAD:**

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

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

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

Helpdesk for Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
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Forgot Password:**Individual shareholders holding securities in physical form has forgotten the password:**

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

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

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

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

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

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

Institutional shareholders ("Corporate Body/ Custodian/ Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot

NOTICE (Contd.)

Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on **'Login'** under **'Corporate Body/ Custodian/Mutual Fund'** tab and further Click **'forgot password?'**
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

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

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

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

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

InstaVote Support Desk

Link Intime India Private Limited

Process and manner for attending the General Meeting through InstaMeet:

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

▶ Select the **"Company"** and **'Event Date'** and register with your following details: -

- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

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

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

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

**NOTICE (Contd.)****Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:**

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

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

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

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

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

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

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

NOTICE (Contd.)

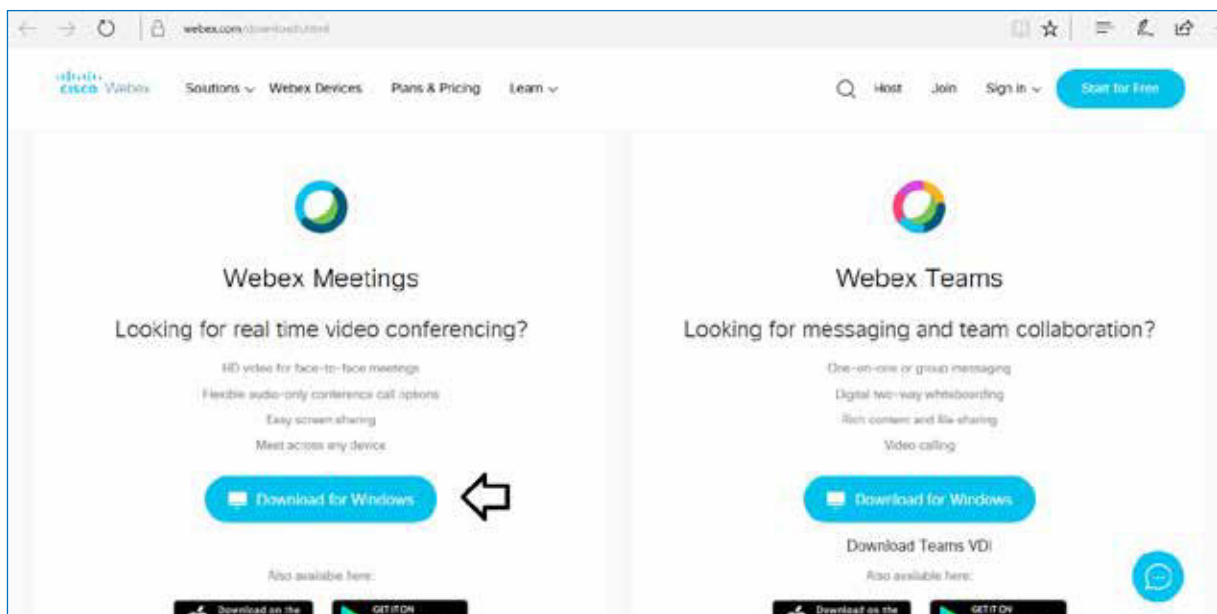
InstaMeet Support Desk

Link Intime India Private Limited

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

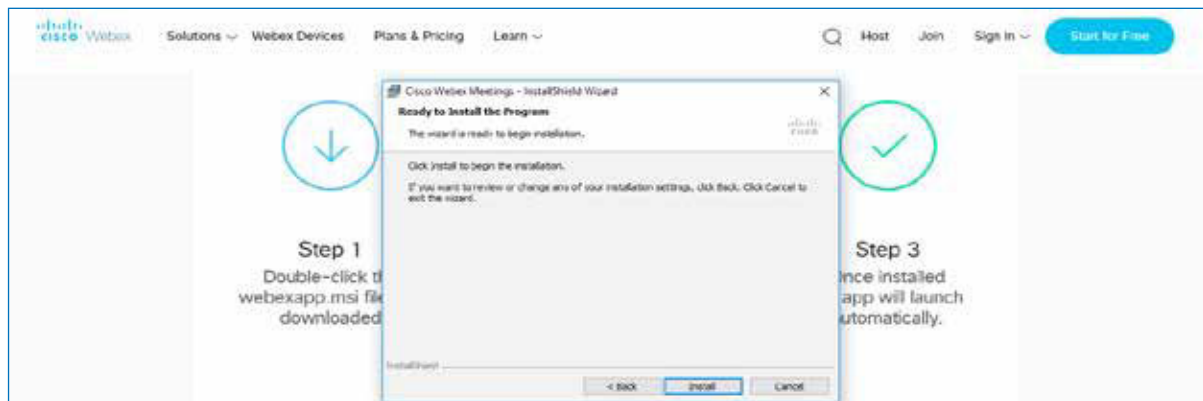
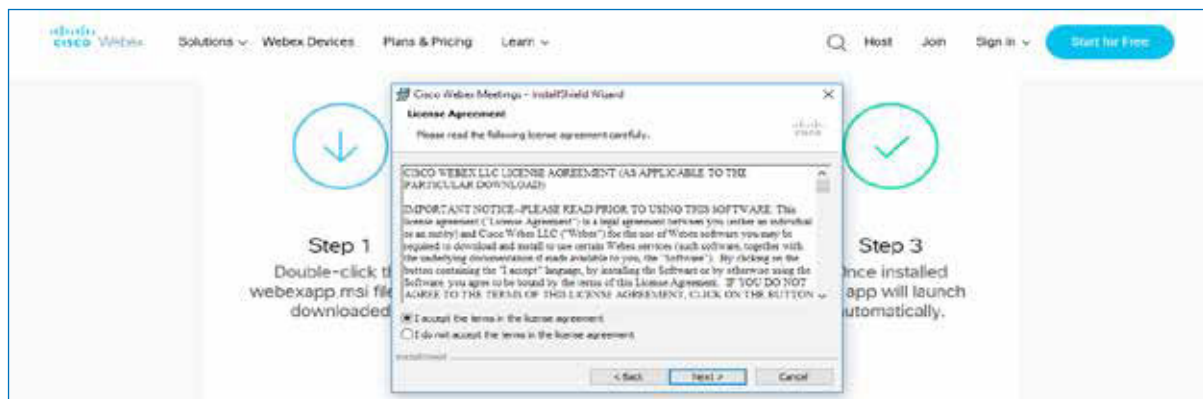
For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application . Click on Run a temporary application , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

NOTICE (Contd.)



or

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:



NOTICE (Contd.)

ANNEXURE 1

PURSUANT TO REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED IS FURNISHED BELOW:

Name of Director	:	Mrs. Deepika Kapoor
DIN	:	00054799
Date of Birth/ Nationality	:	November 26, 1957 Indian
Age	:	67 Yrs
Educational Qualification	:	Graduate
Expertise in specific functional area	:	Founder Promoter & Director of the Company and She has considerable experience in Human Relations, Company Management and General Administration.
Area of Expertise	:	Tool & Dies manufacturing, Sheet Metal Industry
Date of First Appointment on Board	:	10/01/1984
Interse relationship with other Director / manager and other KMP	:	Mrs. Deepika Kapoor is related to Mr. Rajiv Kapoor, Chairman and Managing Director of the Company
No of Shares Held in the Company	:	54,300 Shares
Board Position Held	:	Director
Term and Condition of Appointment alongwith details of remuneration sought to be paid	:	As per the resolution at item no. 2 of the Notice convening this meeting read with explanatory statement thereto.
Remuneration Last Drawn (if applicable)	:	Refer to Report on Corporate Governance
No of Board Meetings attended during the year -2023-24	:	4 out of 4 meetings
Directorship held in other Companies	:	None
Chairman / Member of the Committees of Board of Directors of Other Companies	:	None
Chairman / Member of the Committees of Board of Directors of the Company	:	Member in Corporate Social Responsibility Committee of Rasandik Engineering Industries India Limited

DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting the 40th Annual Report of your Company together with the Audited Statement of Accounts of the Company for the financial year ended March 31, 2024 and the Auditors Report thereon.

FINANCIAL RESULTS:

The summarized working results for the year ended March 31, 2024 as compared to earlier year are as under:

(Rs. in millions)

PARTICULARS	2023-2024	2022-2023
Total Income	1,155.85	1,563.96
Profit Before Finance Cost, Depreciation, Exceptional items and Taxation	228.60	111.38
Finance Cost	94.39	106.78
Depreciation	61.46	70.89
Exceptional Items - Gain/ (Loss)	6.29	(19.11)
Profit Before Tax	66.46	(47.18)
LESS:		
Tax expense		
Current tax	-	-
Deferred tax	(4.82)	(14.21)
Profit/Loss After Tax (Loss)	71.28	(32.97)
Other Comprehensive Income	0.84	1.20
Total comprehensive income for the year	72.12	(31.77)
Earning per Equity Share of Rs. 10/- each	11.93	(5.52)

OPERATING RESULTS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, the total income of the Company for the year ended 31 March, 2024 was Rs.1155.85 Million as compared to Rs. 1563.96 Million in the previous year. The profit before depreciation, finance cost, taxation is Rs. 228.60 Million up from Rs. 111.38 Million in the previous year. The net profit after depreciation, finance cost Exceptional items and Taxation is Rs. 72.12 Million for the current financial year as compared to net loss of Rs. 31.77 Million in the previous year.

FUTURE OUTLOOK

The Company has Electric Auto (Electric Vehicle) Manufacturing facilities at its Plant at Surajpur, Greater Noida, Uttar Pradesh. The said Manufacturing Unit of

the Company supply the following Electric Vehicles (EV) domestically to cater to the Indian automotive market as well as explore the export market. The Company developed various models of E-Auto and are building brand "Samrat" to focus on growth as an OEM. Portfolio of Products of **E-AUTO VARIANTS** are as follows

Sr. No.	E-AUTO VARIANTS	FEATURE OF E - AUTO
1	E - Auto Samrat D+6 Driver Plus 6 passenger seating capacity	Modern Features for Great Comfort not only make every ride stylish, but also add greater comfort than ever before for the driver and passenger.
2	E - Auto Samrat D+ 3 Driver Plus 3 passenger seating with luggage carrying capacity	
3	E - Auto Samrat Loader	Vehicles are plugging the intra-city transportation needs with last mile connectivity in goods transport.
4	E - Auto Samrat Mobile Shop	Carrier for-Milk, Water Bottle, Bread, Bakery, Poultry Products, Gas Cylinder; a Vegetable Van; an Ice-Cream Van; a Fast Food Van and much more.
5	E - Auto Samrat Hi-Deck	
6	E - Auto Samrat Garbage Manual	The garbage truck is specially designed to collect municipal waste and transport it to a waste treatment facility.
7	E - Auto Samrat Garbage Hydraulic	

The focus of the Company is at present on emerging business like Electric Vehicles manufacturing of Three Wheeler (L-5) and enhancing its sales.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the FY ended 31st March, 2024 to which the Financial Statements relates and the date of signing of this report.

DIRECTORS' REPORT (Contd.)

DIVIDEND

The Company does not propose any dividend for the year 2023-2024.

SUBSIDIARIES AND JOINT VENTURES: The Company does not have any Subsidiary Company or Joint Venture.

SHARE CAPITAL There was no change in the Company's share capital during the year under review. The Company's paid up Equity Share Capital to stand at Rs. 59.75 lakhs comprising of 59,75,000 equity shares of Rs.10 each as on March 31, 2024.

TRANSFER TO RESERVES

There is no amount proposed to be transferred to Reserves out of profits of the financial year 2023-24.

ANNUAL RETURN:

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of Companies (Management and Administration) Rules, 2014 then Annual Return is available on company's website at www.rasandik.com/report.html.

NUMBER OF MEETINGS OF THE BOARD

During the year under review four Board Meetings were convened and held and four Audit Committee Meetings were convened and held. The details of Board meetings and Audit Committee meetings are presented in the Corporate Governance report, which forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days.

Sr. No	DATE OF BOARD MEETING
1	30-05-2023
2	14-08-2023
3	14-11-2023
4	13-02-2024

Details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

A meeting of the Independent Directors of the Company was held on February 13, 2024 and the same was attended by Independent Directors.

NUMBER OF MEETINGS OF COMMITTEES OF THE BOARD OF DIRECTORS

The Board has established various Committees as a matter of good corporate governance practice and as per the requirements of the Companies Act, 2013:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. CSR Committee

DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Composition:

During the year under review, the Board of Directors of your esteemed Company remained duly constituted in compliance with the provisions outlined in the Companies Act, 2013 read with SEBI LODR Regulations.

As of the latest, the Board consists of a total of six Directors, comprising one Executive Director, one Non-Executive Director and four Non-Executive Independent Directors, each contributing to the governance and strategic direction of the Company.

b) Retirement by Rotation:

As per the provisions of the Companies Act, 2013, Mrs. Deepika Kapoor, Director who retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment to the Board. His profile details are contained in the accompanying Notice of the AGM.

c) Declaration by Independent Directors

The Company has received declaration from all the Independent Directors of Company confirming that they meet with the criteria of Independence as prescribed pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended time to time.

d) Familiarization Program for Independent Directors

Formalisation programme for independent directors was completed by the company during the year 2023-2024.

**DIRECTORS' REPORT (Contd.)****e) Board Evaluation**

In terms of the provisions of the Companies Act, 2013, a structured questionnaire was prepared after taking into consideration the various aspects of the Board functioning like composition of the Board and its committees, culture, execution and performance of Specific duties, obligations and governance.

The Independent Directors, in their separate meeting held on February 13, 2024 evaluated the performance of the Board, the Chairperson and the Non-Independent Directors. The result of the evaluation is satisfactory and sufficient and meets the requirements of the Company. Further, the Annual Performance Evaluation was also carried out by the Board for the financial year 2023 – 2024 in respect of its own performance, the evaluation of the working Committees, Directors through peer evaluation excluding director being evaluated.

f) Key Managerial Personnel

The Company has appointed three Key Managerial Personnel which includes Sh. Rajiv Kapoor, Managing Director; Mr. Gautam Bhattacharya, CFO, and Mr. Pradeep Chandra Nayak, Company Secretary, to inter alia shoulder the responsibilities in their respective fields as envisaged under the provisions of the Companies Act, 2013 & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There is no change in the Key Managerial Personnel of the Company during the year under review. The Company did not appoint any Key Managerial Personnel during the year under review.

POLICY RELATING TO DIRECTORS:

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration, specifying criteria for evaluation of performance and process (Annexure IV). The Nomination and Remuneration Policy is available at Company website i.e. www.rasandik.com/report.html.

The policy framed by the Nomination & Remuneration Committee under Section 178(3) of the Companies Act, 2013 is as below:

APPOINTMENT CRITERIA AND QUALIFICATIONS

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) The Committee shall identify the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- c) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

d) Remuneration to Directors**i) Remuneration to Whole-time / Executive / Managing Director:**

The Remuneration/ Compensation/ Commission etc. to be paid to Director /Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under including any amendments thereto or any other enactment for the time being in force. The Managing Director shall be eligible for a monthly remuneration as may be approved by the Shareholders on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders, wherever required. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration in accordance with the provisions in Schedule V of the Companies Act, 2013.

ii) Remuneration to Non- Executive / Independent Director:

The Non-Executive/Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013 and the rules

DIRECTORS' REPORT (Contd.)

made thereunder. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under including any amendments thereto or any other enactment for the time being in force. The Independent Director shall not be entitled to any stock option of the Company.

Evaluation The Committee shall carry out evaluation of performance of every Director at regular interval (yearly).

Removal The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

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

PARTICULARS OF EMPLOYEES: None of the employees of the Company were drawing a remuneration exceeding Rs. 1,02,00,000/- per annum or Rs. 8,50,000/- per month or part thereof. The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

PARTICULARS W.R.T. RATIO OF REMUNERATION OF DIRECTORS AND KMP

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the required information with respect to ratio of remuneration of directors, key managerial personnel and employees is set out as **Annexure – II** which forms part of this report. There were no employees during the year under review,

drawing remuneration specified under Section 197 of the Companies Act, 2013 read with applicable rules.

AUDITOR AND AUDITOR'S REPORT:

a) Statutory Auditor:

The Members of the Company appointed M/s. V Sankar Aiyar & Co., Chartered Accountants, New Delhi, having Firm Registration No. 109208W, Statutory Auditors of your Company for a period of five years from the conclusion of 38th Annual General Meeting (AGM).

AUDITORS' REPORT

The notes on financial statements referred in the Auditor's Report are self explanatory.

The Auditors Report to the shareholders for the year under review below mentioned qualification.

Qualification:

The Auditor draw attention regarding non carrying out of assessment of items of inventory lying unconsumed (either due to ageing or utility) to suit the nature of production. In the absence of such an assessment by the Company, likely fall in the Net Realizable Value of individual items (raw material/ stores) which may be identified as no longer suitable for sale or use requiring provision for impairment/ obsolescence is not determinable as at the Balance Sheet Date. We are unable to comment upon the adjustments, if any, that are required to the carrying value of the inventories and consequential impact, if any, on the accompanying Statement.

Management view:

The Company has issues related to interest costs on borrowings and has thus decided diversify and focus on other areas of automotive business. The management is initiating Marketing, Development and Manufacturing of electric 3-wheeler (L-S) category and build its own Brand. Since the attention of the management is focused on improving automotive/ electric vehicle operations, it has not been possible to complete the critical evaluation of all items of inventory lying unconsumed (either due to ageing or utility) to suit



DIRECTORS' REPORT (Contd.)

the nature of production. In these circumstances, there is a likely fall in the NRV of individual items requiring provision for impairment, which is unascertained. Pending critical evaluation, during the year, the Company has considered during the quarter and year ended 31 March 2024 an amount of ~ Nil and ~ 305.73 lakhs respectively as provision for obsolescence in the current year which is included under the head "other expenses".

Reporting of fraud by the Auditor under Section 143(12) of the Companies Act, 2013

The Board of Directors states that M/s. V Sankar Aiyar & Co., Chartered Accountants, New Delhi, having Firm Registration No. 109208W, Statutory Auditors have not reported of any fraud involving any amount committed by the Company to the Central Government or to the Board of Directors or Audit Committee of the Company.

b) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Arun Gupta & Associates, Company Secretaries, New Delhi to undertake the Secretarial Audit of the Company.

The Report of the Secretarial Audit Report forms part of this report as "**Annexure – C**". The Secretarial Audit Report does not contain any qualifications, reservation or adverse remark.

The Board at its meeting held on May 29, 2024, has on the recommendation of the Audit Committee re-appointed **M/s. Arun Gupta & Associates, Company Secretaries**, as Secretarial Auditor, for conducting Secretarial Audit of the Company for the FY 2024-2025.

LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given, during the year under review, any loan, and guarantee or invested any funds falling under the purview of Section 186 of the Companies Act, 2013. Details of outstanding investments are given in the notes to financial statements.

RELATED PARTY TRANSACTIONS

All the related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Directors, Promoters, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. All Related Party Transactions as required under Indian Accounting Standards AS-24 are reported in Note 40 Notes to Accounts of the financial statements of the Company. All related party transactions were placed before the Audit Committee and the Board for approval.

CORPORATE GOVERNANCE

The compliance with the provisions of Corporate Governance under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been applicable to the Company in the financial year 2023 – 2024 on the basis of the turnover of the Company. Hence, the Report on Corporate Governance as stipulated under Regulation 33 (1) (e) read with Schedule IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been applicable to the Company which is integral part of this Report. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance. **(Annexure I)**

A detailed Report on Corporate Governance prepared in substantial compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges regarding the compliance of conditions of corporate governance, is presented in a separate section forming part of the Annual Report. **(Annexure B)**

DIRECTORS' REPORT (Contd.)

MANAGEMENT DISCUSSION & ANALYSIS REPORTS

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis is set out in this Annual Report.

DEPOSITS

During the Financial Year 2023-2024, your Company has neither accepted nor renewed any deposits during the in terms of Chapter V of the Companies Act, 2013 and no amount of principal or interest was outstanding in respect of deposits from the public as on the date of balance sheet.

INSURANCE

All the properties of the Company including Buildings, Plant and Machinery and Stocks have been adequately insured.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There were no significant / material orders passed by the regulators or courts or tribunals during the FY 2023-24, impacting the going concern status and Company's operations in future.

AUDIT COMMITTEE

The composition of Audit Committee of the Company as under:

S No	Name	Category	Position
1	Shri Abhay Kumar Khanna	Non-Executive - Independent Director	Chairman
2	Dr. Shyam Sunder Sethi	Non-Executive - Independent Director	Member
3	Shri A. R. Halasyam	Non-Executive - Independent Director	Member
4	Shri Rajiv Kapoor	Executive - Chairman cum Managing Director	Member

The time gap between the said meetings was within the period prescribed under the provisions of the Companies Act, 2013 and the SEBI guidelines thereof.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134 (5) of the Companies Act, 2013, the Board of Directors of the Company state that:

- The applicable accounting standards have been followed in the preparation of the Annual Accounts.
- Such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.
- 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.
- The Directors have prepared the annual accounts on a going concern basis.
- Proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated a Vigil Mechanism Policy for Directors and employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. The necessary mechanism is in line with the requirements under the Companies Act, 2013. It provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. None of the Whistle Blowers have been denied access to the Audit Committee. The said policy is available on the Company's **website www.rasandik.com/report.html** under the Investor Section.

**DIRECTORS' REPORT (Contd.)****DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy provides for protection against Sexual Harassment of Women at Workplace and for prevention and Redressal of complaints. No complaints were received from any employee during the financial year 2023-2024.

CORPORATE SOCIAL RESPONSIBILITY

In compliance of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility Committee ('CSR Committee'). The terms of reference of the Corporate Social Responsibility Committee is provided in the Report on Corporate Governance. **(Annexure-III)**

During the year under review the company ceases to be covered under subsection (1) of 135 of Companies Act, 2013 the Company incurred the losses and could not satisfy the other parameters as well to make CSR contributions in terms of the provision of the Act. Hence, the Statement on CSR activities is not applicable. However, the CSR Committee reviewed the other compliance requirements viz. formulating & monitoring the CSR policy, etc. in accordance with the provisions of the law.

CSR policy of the Company can be accessed on the Company's website at the link: www.rasandik.com/report.html

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 form part of this report and are set out in the **Annexure - A** to this report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditors comprising professional Chartered Accountants who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. Based on the audit observation and recommendations, follow ups and remedial measures are being taken including review and increase in scope, if necessary.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls. As a matter of proactive planning, the Board has also constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records. The management duly considers and takes appropriate action on the recommendations made by the Internal Auditors, Statutory Auditors and the Audit Committee of the Board of Directors.

SECRETARIAL STANDARDS

During the financial year, your Company has complied with applicable Secretarial Standards issued by Institute of Company Secretaries of India.

STATUTORY DISCLOSURE:

Your Directors' state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. There is no change in the nature of business of the Company.
- b. In terms of the first proviso to Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to all the shareholders and is available on the Company's website.
- c. There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

DIRECTORS' REPORT (Contd.)

- d. Issue of equity shares with differential rights as to dividend or voting or otherwise.

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

CEO/CFO CERTIFICATION

As required under Regulation 17(8) of the Listing Regulations, the CFO of the Company have certified the accuracy of the Financial Statements and adequacy of Internal Control Systems for financial reporting for the year ended 31st March, 2024. The certificate is part of this Annual Report.

LISTING FEES

The Company has paid the Annual Listing fees to BSE Ltd. for the Financial Year 2023 – 2024.

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

Pursuant to the requirement under Section 134(3) (g) of the Companies Act, 2013 the particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2023-2024 are attached as **Annexure – V** which forms part of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

The Policy on related party transactions as approved by the Board has been uploaded on the Company's Website at www.rasandik.com. Pursuant to the requirement under Section 134(3) (h) of the Companies Act, 2013, the particulars of contracts or arrangements with related parties referred to in section 188(1) of the Act, are attached as **Annexure–VI** which forms part of this report.

The policy on materially related party transaction and on dealing with related party transaction as approved by the Board and the detail policy can be referred on the website of the Company i.e., www.rasandik.com/report.html.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviours of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website www.rasandik.com/report.html.

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 in dealing with stakeholders. The Code gives guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. 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 Board Directors and the designated employees have confirmed compliance with the Code.

EMPLOYEES STOCK OPTION PLANS /SCHEMES

No Employee Stock Options were granted to the Directors or Employees of the Company during the year under review.

**DIRECTORS' REPORT (Contd.)****QUALITY SYSTEM**

Your Company has been certified as an ISO/TS 16949-2002 version Quality System Company by AIB Vincotte Inter Belgium and also an ISO 14001 - Environment Management System Company by British International Standard (BIS).

TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND

The amount represents unclaimed dividends which were lying with the Company for a period of more than seven years from their respective due dates of payment had transferred to the Investor Education and Protection Fund established by the Central Government, in compliance with Provision of the Companies Act, 2013.

CAUTIONARY STATEMENT

Statements in the Directors Report and the Management Discussion and Analysis describing the Company's

objectives, expectations or predictions, may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations included: global and domestic demand, new capacity additions, changes in government policies and tax laws and other factors which are material to the business operation of the Company.

ACKNOWLEDGEMENTS

Your directors take this opportunity to express their deep sense of gratitude to the bankers, employees, shareholders, customers and suppliers for their continued support and confidence in the management.

Your Company is grateful for the co-operation and continued support extended by Maruti Suzuki India Ltd, Tata Motors Ltd, CNH, Mahindra, Ashok Leyland, and all other Customers. Your Directors look forward to receive their continued confidence, support and encouragement.

For and on Behalf of the Board of
Rasandik Engineering Industries India Limited

Place: New Delhi
Date: May 29, 2024

(RAJIV KAPOOR)
CHAIRMAN AND MANAGING DIRECTOR

ANNEXURE – A

TO DIRECTORS' REPORT TO THE SHAREHOLDERS INFORMATION PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013

A. CONSERVATION OF ENERGY

i. Measures taken in the year 2023-2024

Your Company has always been conscious of the need for conservation of energy and natural resources and considers it as a focus area. The steps taken for Energy Conservation:

- Energy efficiency improvement initiatives have been implemented across all the Plants and Offices by undertaking various energy and resource conservation measures. Your Company continues its policy of giving priority to energy conservation measures including regular review of energy generation, consumption and control on utilization thereof. The steps are:
 - a) To conserve energy by reducing compressed air consumption.
 - b) To conserve energy by using energy efficient Welding Guns.
- Efficient control and streamlining of the manufacturing process and proper maintenance of all equipment.
- Plant and Machinery are regularly serviced, updated and overhauled and maintained in good condition.
- Various process changes and replacement of certain conventional equipment.
- Installation of Energy efficient LED Lights in place of the conventional lights.
- Close monitoring of lighting system by providing dedicated team to avoid unwanted lighting power.
- Transparent sheets were used on roof tops to provide natural light in shop floor.

In addition to the above, constant energy monitoring is being done in various sections of the plant for which energy meters have been installed in each Press Machines as well as in various Shops. Statistical analysis will be carried out and energy consumption and reduction plans will be worked out.

The adoption of energy conservation measures indicated above have resulted in optimum efficiency in operation and saving & controlling in the cost of production. The company is continuously striving for energy saving opportunities.

ii. Steps taken for utilizing alternate sources of energy

The Company has been continuously thriving to optimize energy consumption levels by selecting energy efficient and environment friendly technologies for its plants. Utilisation of already existing low cost source of energy for plant and administrative area is under evaluation. Further the Company uses CNG gas for its Paint Shop.

iii. Capital investment in energy conservation equipment

Energy conservation measures have been taken by process optimization without any major capital investment.

B. TECHNOLOGY ABSORPTION FOR THE YEAR 2023-2024

- (i) Efforts made towards technology absorption
Highly automated and advance machinery has been introduced in the company.
- (ii) The benefit derived like production improvement, cost reduction, product development or import substitution
The introduction of modern technologies has resulted in improvement of productivity and reduction in process cost alongwith improvement and consistency in product quality and operational efficiency.
- (iii) Data relating to imported technology Nil
- (iv) Expenditure on Research and Development Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE YEAR 2023-2024

Total foreign exchange earned and used (actual)	(Rs.)
Foreign exchange used	15,981,659
Foreign exchange earned	10,755,150



ANNEXURE – I

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Rasandik Engineering Industries India Limited

We, V. Sankar Aiyar & Co., the statutory auditors of Rasandik Engineering Industries India Limited have examined the compliance of regulations of Corporate Governance by Rasandik Engineering Industries India Limited (the Company) for the year ended March 31st 2024 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations')

Management's Responsibility

The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SOC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the SEBI Listing Regulations during the year ended 31 March 2024. 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.

Restriction on use

The certificate is issued solely for the purpose of complying with the above said regulations and may not be suitable for any other purpose.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
ICAI Firm Regn. No. 109208W

Karthik Srinivasan

Partner

Membership No. 514998

UDIN: 24514998BKCTBR9492

Place : New Delhi

Dated : May 29, 2024

ANNEXURE – II

DETAILS UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

S. No.	Name of Director(s)	Annual Remuneration for FY 2022-23 (in Lakhs Rs.)	Median Annual Remuneration of Employees for the Financial Year 2023-24 (in Lakhs Rs.)	Ratio of remuneration of each director of the median remuneration of the employees for Financial year
1	Sh. Rajiv Kapoor	45	45	0
2	Mrs. Deepika Kapoor	0	0	0

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

Sr. No.	Name of Director(s) Chief Financial Officer, Company Secretary	Annual Remuneration during financial year 2022-23 (in Lakhs Rs.)	Annual Remuneration during financial year 2023-24 (in Lakhs Rs.)	Percentage increase in remuneration since last financial year
1	Sh. Rajiv Kapoor, Chairman cum Managing Director	45	45	0
2	Mrs. Deepika Kapoor, Whole-time Director	0	0	0
3	Mr. Gautam Bhattacharya, CFO	39.79	0	0
4	Mr. Pradeep Chandra Nayak, Company Secretary	8.4	8.4	0

(iii) The percentage increase in the median remuneration of employees in the financial year:

Median Annual Remuneration (In Rs.) of employees for the F/Y 2022-23	Median Annual Remuneration (In Rs.) of employees for the F/Y 2023-24	Percentage increase in Median Annual remuneration (In Rs.) of Employees
347,148	384,684	10.81

(iv) Number of permanent employees on the rolls of the Company – 75

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – **Not applicable**

(vi) Names of the top ten employees in terms of remuneration drawn and the name of every employee, who-

(i)	If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one Crore and two lakhs rupees:	None
(ii)	If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs and fifty thousand rupees permonth:	None
(iii)	If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	None



ANNEXURE – III

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

OUTLINE OF PROJECTS:

All CSR programmers are developed in partnership with the stakeholders to ensure that they cater to specific needs, and further inculcate a sense of ownership amongst the community members. The CSR programmes and activities are aligned to national development goals.

1. The Company has framed a CSR Policy in compliance with the provision of the Companies Act, 2013 and the same is placed on the Company website i.e. (<http://www.rasandik.com/report.html>)
2. The Composition of the CSR Committee.

As on March 31, 2024, the Corporate Social Responsibility (CSR) committee consists of the following members:

Sr. No	Name	Category	Designation
1	Shri M. S. Ramaprasad	Independent Director	Chairman
2	Dr. Shyam Sunder Sethi	Independent Director	Member
3	Mrs. Deepika Kapoor	Director	Member

3. Average net profit of the company for last three financial years is **Nil**.

Financial Year	Net Profit/(Loss)
2020-2021	(5,77,27,557)
2021-2022	(2,70,79,357)
2022-2023	(3,29,72,189)
Total	(11,77,79,103)
Average Net Profit	(3,92,59,701)
2% of Average Net Profit	0

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): The Company has incurred loss during FY 2022-2023 so no amount is prescribed for CSR Expenditure.
5. Details of CSR spent during the financial year:
 - (a) Total amount to be spent for the financial year: **Nil**
 - (b) Amount unspent: **NIL**

ANNEXURE – IV

NOMINATION AND REMUNERATION POLICY

Introduction

In terms of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

The Policy is applicable to:

Directors (Executive and Non Executive)
 Key Managerial Personnel
 Senior Management Personnel
 Other employees

Objective

The Composition and Terms of Reference of the Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees.

Constitution of Committee

The Board of Directors of the Company (the Board) constituted the committee known as "Nomination and Remuneration Committee" consisting of three or more non-executive directors out of which not less than one-half are independent Directors.

At present, the Nomination and Remuneration Committee comprises of following Directors:

S No	Name	Category	Postion
1	Dr. Shyam Sunder Sethi	Non Executive -Independent Director	Chairman
2	Shri M. S. Ramaprasad	Non Executive -Independent Director	Member
3	Shri A. R. Halasyam	Non Executive -Independent Director	Member

The Chairman of the Committee is an Independent Director.

The Policy focus on following areas:

Criteria for Appointment & Removal of Director and members of Senior Management
 Disqualifications for Appointment of Directors
 Term / Tenure
 Managing Director/Whole-time Director
 Independent Director
 Removal
 Retirement
 Criteria for Determining Positive Attributes and Independence of Directors
 Criteria for determining positive attributes

Performance Evaluation:

Criteria for Evaluation of Directors and The Board

1. Executive Directors
2. Non Executive Director (including Independent Director)

Evaluation of Board Performance:

Remuneration of Directors, Key Managerial Personnel and Other Employees

1. Remuneration to Whole-time / Executive / Managing Director
2. Remuneration to Non-Executive / Independent Director
3. Remuneration to KMP, Senior Management Personnel and Other Employees.



ANNEXURE – V

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013 AS ON MARCH 31, 2024

(Rs. in lakhs)

	Name of the Body Corporate	Loans given	Investments	Guarantees given	Aggregate as on March 31, 2024
In Wholly Owned subsidiaries	-	-	-	-	-
In subsidiaries	-	-	-	-	-
In JV/ Associates	-	-	-	-	-
In Others	-	-	-	-	-

ANNEXURE - VI

FORM NO. AOC -2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sl. No	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board/ Audit Committee	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
----- Not Applicable -----									

2. Details of contracts or arrangements or transactions at Arm's length basis. (Exceeding 10% of the annual consolidated turnover of the Company)

Sl. No	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board/ Audit Committee	Amount paid as advances, if any	Same value during the year (₹ In Crs)
----- NIL -----								

ANNEXURE - C

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 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,

RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED
Plot No. 1, ROJ-KA-MEO INDUSTRIAL AREA, SOHNA,
GURGAON, HARYANA, INDIA, 122103

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rasandik Engineering Industries India Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Rasandik Engineering Industries India Limited** 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, minute books, forms and returns filed and other records maintained by **Rasandik Engineering Industries India Limited** 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 there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
 - e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the Audit Period)**
 - f) The Securities and Exchange Board of India (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, 2021; **(Not applicable to the Company during the Audit Period)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

**ANNEXURE - C (Contd.)**

(vi) Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees Provident Fund And Misc. Provisions Act, 1952
- Employees State Insurance Act, 1948
- The Payment of Bonus Act, 1965
- The Environment (Protection) Act, 1986
- Income Tax Act 1961, Wealth Tax Act, Goods and Services Tax Act, 2016 and rules made thereof.
- Negotiable Instrument Act, 1881
- Maternity Benefits Act 1961
- Payment of Gratuity Act, 1972
- The Industrial Disputes Act, 1947
- The Child Labour (Regulation and Abolition) Act, 1970
- The Weekly Holidays Act, 1942
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder

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 SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, (erstwhile Listing Agreement) entered into by the Company with Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda 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, if any, 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 that during the audit period the Company has obtained the consent of the members on the following resolution by way of passing of Special Resolution in the AGM held on 29th July, 2023:-

- (i) Approval for Monetisation by Sale of Surplus and Idle Assets of the Company.

For ARUN KUMAR GUPTA & ASSOCIATES
COMPANY SECRETARIES

(ARUN KUMAR GUPTA)

Proprietor

FCS No. 5551, CP No. 5086

Peer Review Cer. No. 1658 /2022

UDIN: F005551F000482236

Place: Delhi

Date: 29/05/2024

ANNEXURE 'A' ANNEXURE TO THE SECRETARIAL AUDIT REPORT

ANNEXURE 'A'

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made there under and the Memorandum and Articles of Association of the Company with regard to:-

1. Maintenance of various statutory registers and documents and making necessary entries therein;
2. Contracts, Common Seal, Registered Office and Publication of name of the Company;
3. Forms, Returns, Documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board and such other authorities;
4. Service of documents by the Company on its Members, Directors, Auditors and Registrar of Companies;
5. Constitution of the Board, Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee;
6. Appointment, Re-appointment, Retirement of Directors including Whole Time Directors and payment of remuneration.
7. Disclosure of Interest and Concerns in Contracts and Arrangements, Shareholdings and Directorships in other Companies and interest in other entities by Directors and Key Managerial Personnel;
8. Disclosures requirements in respect of their eligibility for appointment, declaration of their independence, compliance with the code of conduct for Directors of Rasandik Engineering Industries India Limited;
9. Related party transactions which were in the ordinary course of business and at arm's length basis and were placed before the Audit Committee for their review/approval as and when required;
10. Formulation and adopting Nomination and Remuneration Policy;
11. Appointment and remuneration of Statutory Auditors;
12. Notice of the meetings of the Board and Committees thereof;
13. Minutes of the meeting of the Board and Committees thereof;
14. Notice convening Annual General Meeting held on July 29, 2023 and holding of the meeting on that date;
15. Minutes of General Meeting;
16. Approval of the Members, Board of Directors, Committees of Directors and Government Authorities wherever required;
17. Form of the Balance Sheet as at March 31, 2023 as prescribed under part I of schedule III of the Companies Act, 2013 and requirements as to Profit & Loss Account for the year ended on that date as per Part II of the said schedule;
18. Report of the Board of Directors for the financial year ended March 31, 2023;
19. Transfer of Equity and Preference Shares and issue and delivery of share certificates;
20. Borrowings and registration of charges;
21. Investment of Company's funds and inter-corporate loans and investments.



ANNEXURE – B

REPORT ON CORPORATE GOVERNANCE

In accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations") the Company submit the following Reports:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to upholding good corporate governance practices in accordance with the principles of transparency and adherence to applicable laws. We believe in conducting our affairs with integrity and in compliance with both the letter and spirit of the law. Our corporate governance philosophy emphasizes the importance of adhering to best practices while prioritizing the interests of our customers, employees, stakeholders, and the community. In line with our commitment to transparency and best practices, the Company has adopted the governance guidelines mandated in the Listing Regulations.

We recognize the significance of these regulations in promoting transparency, accountability, and investor confidence in our operations. As such, we have diligently implemented the requisite governance measures to ensure compliance with the Listing Regulations.

A comprehensive report on our compliance with corporate governance standards, as stipulated in the Listing Regulations and amended from time to time, is provided below:

GOVERNANCE STRUCTURE

The Corporate Governance structure at Rasandik is as follows:

Board of Directors: The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

Committees of the Board: The Board has constituted committees viz, Audit Committee, Stakeholders Relationship Committee, Remuneration and Nomination Committee, Corporate Social Responsibility Committee. Each of the said committee has been mandated to operate within a given framework.

2. THE BOARD OF DIRECTORS

Composition and category of Directors

The Board is broad based and consists of eminent persons with considerable professional expertise and experience. The Board comprises of Executive, Non-Executive Directors. The Company is managed by the Board of Directors in co-ordination with the senior management team. The composition and strength of the Board is reviewed from time to time for ensuing that it remains aligned with statutory as well as business requirements.

As on March 31, 2024, the total strength of the Board was six. As the Company has an Executive Chairman Sh. Rajiv Kapoor who is the Chairman and Managing Director, the Board is required, in terms of the Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations), to have fifty percent of its directors as independent directors and at least one Woman Director.

Category of directors	No. of Directors	% of Total no. of Directors
Executive (Including women Director)	2	33%
Non-Executive Independent	4	67%

As on March 31, 2024, the Company's Board consists of 6 Directors. Besides the Chairman and Managing Director, a Promoter Director (Woman Director), the Board Comprises of four Non-Executive Independent Directors. The Composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Directors' Attendance and their other Directorships/ Committee memberships:

As mandated by Regulation 26(1)(b) of the Listing Regulations, none of the Directors is member of more than ten Board Level Committees (considering only Audit Committee and Stakeholders Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he / she is a Director. Further all Directors have informed about their Directorships, Committee memberships / Chairmanships including any changes in their positions.

In accordance with regulatory requirements, every Independent Director, upon joining the Board and subsequently at the commencement of each financial year, provides a declaration confirming their adherence to the criteria of independence as stipulated by law. The Board affirms that all Independent Directors as of March 31, 2024, meet the independence criteria outlined in the regulations and maintain independence from management in their decision-making processes. Furthermore, Independent Directors undergo a structured familiarization program to deepen their understanding of the Company's operations, industry dynamics, and governance practices, enabling them to contribute effectively to Board deliberations and oversight.

Relevant details of the Board of Directors as on March 31, 2024 are given below.

Name of the Director / DIN	Category	Attendance Particulars			Number of other directorships and committee memberships / chairmanships		
		No. of Board meetings held (Four)	No. of meetings attended	Attendance at the last AGM held on July 29, 2023	Directorships in listed entities*	Committee memberships	Committee chairmanships
Sh. Rajiv Kapoor** DIN-00054659	Promoter/ Chairman & Managing Director Executive	4	4	Yes	1	1	-
Mrs. Deepika Kapoor** DIN-00054799	Promoter/ Director	4	4	No	1	1	-
Dr. Shyam S. Sethi DIN-01394311	Independent Director Non Executive	4	4	Yes	1	4	3
Sh. M. S. Ramaprasad DIN-00842539	Independent Director Non Executive	4	2	Yes	1	3	1
Sh. A. R. Halasyam DIN: 00775926	Independent Director Non Executive	4	4	Yes	1	3	-
Sh. Abhay Kumar Khanna DIN: 06919161	Independent Director Non Executive	4	4	Yes	1	1	1

* Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.

** Sh. Rajiv Kapoor and Mrs. Deepika Kapoor are related to each other.

*** Details of Director (s) retiring or being re-appointed is given in notice to the Annual General Meeting.



REPORT ON CORPORATE GOVERNANCE (Contd.)

BOARD FUNCTIONING

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performance of the Company. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the meeting with the approval of the Board.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

The Board has complete access to all the information available within the Company. The following information, inter-alia, is provided periodically by the management to the Board for its review:

- Quarterly/Half yearly/Yearly financial results and items arising out of Annual Accounts.
- Proceedings of various Committees of the Board (on quarterly basis)
- Internal/External Audit findings & recommendations (on quarterly basis)
- Report on Share Capital Audit (on quarterly basis)
- Related Parties Transactions (on quarterly basis)
- Compliance Reports: Share Capital Audit, Investors Complaints, Corporate Governance, Transfer/ Transmission/ Demat of shares (on quarterly basis)
- Annual Report (on Annual basis)
- Capital and Revenue Budgets (on Annual basis)
- Overall business scenario, operations of the company (on quarterly basis)

- Sales Forecast, Margin outlook etc. (as and when required)
- Growth plans. (as and when required).
- Codes and Policies. (as and when required)

MEETING OF THE BOARD

Minimum four prescheduled Board meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs, if any, of the Company. During the financial year 2023-2024 the Board of Directors met four times i.e., on 30/05/2023, 14/08/2023, 14/11/2023 and 13/02/2024. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations (as amended) and the Secretarial Standards issued by Institute of Company Secretaries of India.

The required quorum was present at all above Board Meeting and all the resolutions and discussion were duly approved. There was no instance of adjournment of any of the said meeting.

ROLE OF INTERNAL AUDITOR

Rasandik has an adequate Internal Control framework, which has been instituted considering the nature, size and risk in the business. The framework comprises, inter alia, of a well-defined organisation structure, roles and responsibilities, documented policies and procedures etc. This is complemented by a management information and monitoring system, which ensures compliance to internal processes, as well as with applicable laws and regulations. The operating management is not only responsible for revenue and profitability, but also for maintaining financial discipline. In order to ensure efficient Internal Control systems, the Company also has an independent Internal Auditor (Audit Firm) that is responsible for providing, assurance on compliance with operating systems, internal policies and legal requirements, as well as, suggesting improvements to systems and processes.

Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee on functional matters

REPORT ON CORPORATE GOVERNANCE (Contd.)

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS

There are no inter-se relationships between the Board members except Shri Rajiv Kapoor and Mrs. Deepika Kapoor being husband and wife.

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

Dr. Shyam S. Sethi, Non-executive Independent Director is holding 10,242 nos of equity shares and Shri A. R. Halasyam, Non-executive Independent Director is holding 23,000 nos. of equity shares of Re. 10/- each in the Company.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Company has set familiarization program for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, the business model of the Company etc. The details of which are available on the website of the company (<http://www.rasandik.com/report.html>) under Corporate Governance section of Investor (Reg.46).

SKILL/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

Sl. No.	Name of Directors	Expertise/Skill
1	Shri Rajiv Kapoor	<ul style="list-style-type: none"> • Founder Promoter and Managing Director of the company and an IIT Delhi Graduate, a technocrat turned first generation industrialist • His visionary skills and foresightedness made him realize the potential for the Auto component manufacturing industry as the Government policy was for the indigenization of the Auto components • He possesses great project management skills coupled with deep understanding of the auto component manufacturing system • It is his drive and passion for Auto component business Rasandik was borne in 1986; since then he is the main driving force behind the Company's progress till date • He manages business operations largely concentrating on the product developments, new business opportunities, technology up-gradation, product quality and growth strategies <p>He pioneered the introduction of new technologies of Moving Bolster in 1992, Spot Welding Robot in 1999 and Tailor Welded Banks in 2006 in the Auto Component Sector in India. His continuous pursuit for timely supply of best quality products at competitive prices has made Rasandik a very dependable and preferred Auto component supplier in the industry</p>
2	Mrs. Deepika Kapoor	<ul style="list-style-type: none"> • An educationist having a considerable experience in Human Relations and Company Management • She serves as a Woman Director on the Board
3	Dr. Shyam S. Sethi	<ul style="list-style-type: none"> • He is a B. Tech (Hons) graduate with M. Tech degree from IIT, Kharagpur. He has Ph. D. degree from Delhi University. • He possesses around thirty years of industrial experience in India and overseas, with Companies like Kelvinator India and Whirlpool as Executive Vice President for South East Asia • Currently he is an Honorary Faculty member at IIT Delhi and is involved in Project Guidance, Faculty Selection and mentoring Ph. D. Scholars.



REPORT ON CORPORATE GOVERNANCE (Contd.)

4	Shri Mysore Siddappa Ramaprasad	<ul style="list-style-type: none"> • He is a B. Sc., LLB and an Industrialist by profession • He has an experience of over 35 years • He is the proprietor of Saraswathi Rice & Oil Mills, Nanjangud, Karnataka • He is founder member of the Nanjangud Industries Association and president for 4 years • Posses rich experience in Industrial Management and thorough knowledge of Factory Act, Labour Laws and Industry related safety regulations
5	Shri A. R. Halasyam	<ul style="list-style-type: none"> • He is a Management Graduate with an experience of over thirty-five years in industry with twenty years of experience at senior management level • He has worked with public sector Companies at management levels since 1982 • He was Finance Director and Member of the Executive Board of Maruti Udyog Limited for ten years beginning from 1991 • He has an expertise in treasury management, project management, project financing and business development • His highly effective management skills has resulted in creating beneficial and productive employee/management relationship • His project management skills, contract negotiation skills and his presence at the Board is of great value to the Company
6	Shri Abhay Kumar Khanna	<ul style="list-style-type: none"> • Shri Khanna (1976, Indian Railway Accounts Service) has served the Government of India for 36 years and superannuated in June 2013. Thereafter, he was appointed as Advisor/consultant with Dedicated Freight Corridor Corporation of India (DFCL) and is currently serving on the Board of Institute Of Director (IOD) as Executive Member as well as Independent External Monitor of RITES and BVFCL, GOI PSUs. • Mr. Khanna superannuated as General Manager, Integral Coach Factory (Chennai) one of the largest Rail Coach Production Unit and has worked as DRM Jodhpur. He has also served as Additional Member Budget (Ministry of Railways) besides Construction organization, Research Design and Standards Organization (RDSO) and Economic Directorates (MOR) in senior positions. • His educational and professional qualifications include M.Phil (Public Administration), Masters Diploma in Public Administration (IIPA), M.Sc. (Maths), Diploma in HRD (UNE- Australia) , Diploma in Strategic Planning and Management (HEC Paris), Project Finance (UK), PPP (USA) and several programs organized by World Bank, Asian Development Bank and MDI. • He has qualified Masterclass program for independent Directors held by IOD.

CODE OF CONDUCT

The Code of Conduct is available on the website of the Company www.rasandik.com. All Board members and senior management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Chairman to this effect is placed at the end of this report.

Adherence to ethical to ethical professional conduct is a must for every employee, including Board members and senior management personnel of Rasandik Engineering

Industries India Limited. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 also forms part of the Code of Conduct. (<http://www.rasandik.com/report.html>)

REPORT ON CORPORATE GOVERNANCE (Contd.)

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company met separately on February 13, 2024 without the presence of Non-Independent Directors and the members of management.

A meeting of the Independent Directors of the Company was held on February 13, 2024 and the same was attended by Sh. Shyam Sundar Sethi, Chairman of the Meeting, Sh. M S Ramaprasad, Member, Sh. A. R. Halasyam, Member and Sh. Abhay Kumar Khanna, Member.

The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

The Chairman and Managing Director

His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a world-class organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.
- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board Meetings like formulation

of business strategies, monitoring of performances, etc. Their role, inter- alia, includes:

- Impart balance to the Board by providing independent judgement.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

Appointment / Re-Appointment of Directors:

In terms of Regulation 36(3) of SEBI (LODR) Regulations, a brief resume of director proposed to be re-appointed / appointed, nature of their expertise in specific functional areas, other directorships and committee memberships, shareholdings and relationships, if any, with other directors are provided in the Notice convening the ensuing annual general meeting of the Company.

Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

COMMITTEES OF THE BOARD

Rasandik has following Board level committee

- A) Audit Committee,
- B) Nomination and Remuneration Committee,
- C) Stakeholders Relationship Committee, and
- D) Corporate Social Responsibility Committee

The Board has constituted the above mandatory committees. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

about the summary of discussions held in the Committee Meetings. The minutes of the Committee Meetings are placed before the subsequent Board meetings.

Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below.

(A) Audit Committee**Composition**

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

The Company has a qualified and Independent Audit Committee. The Committee deals with accounting matters, financial reporting and internal controls.

(a) Composition, category and Attendance record during the year

The Audit Committee met 4 times during the financial year 2023-2024. The maximum gap between two meeting was not more than 120 days. The Committee met on 30/05/2023, 14/08/2023, 14/11/2023 and 13/02/2024. The requisite quorum was present at all the Meetings. The Audit Committee invites Chief Financial Officer representing Finance and Accounts and representatives of the Internal & Statutory Auditors to be present at the meetings. The members of the audit Committee were present at the last Annual General Meeting of the Company held on 29th July, 2024.

The Committee periodically reviewed Internal Control systems and the report of Internal Auditors of the Company and no significant area of concern was found by the Audit Committee during the review.

The table below provides the attendance of the Audit Committee members:

S No	Name	Category	Position	No. of Meetings Attended
1	Shri Abhay Kumar Khanna	Non-Executive - Independent Director	Chairman	4 of 4
2	Dr. Shyam Sunder Sethi	Non-Executive - Independent Director	Member	4 of 4
3	Shri A. R Halasyam	Non-Executive – Independent Director	Member	4 of 4
4	Shri Rajiv Kapoor	Executive - Chairman cum Managing Director	Member	4 of 4

Mr. Pradeep Chandra Nayak, Company Secretary acts as the secretary of the Committee.

The Audit Committee has approved the contracts and transactions with Related Parties in ordinary course of business and at arm's length price and has recommended those contracts and transactions to the Board for their review and approval if necessary.

Terms of Reference of the Audit Committee:

The Powers, role and terms of reference of the Committee are as specified under regulation 18 and Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

REPORT ON CORPORATE GOVERNANCE (Contd.)

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. Recommendation to the Board for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- iv. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
- v. Reviewing, with the management, the quarterly/ annual financial statements before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- xiv. Discussion with the Internal Auditors of any significant findings and follow up there on;
- xv. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- xvi. Discussion with the Statutory Auditors before the audit commences, about the nature and

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

- scope of audit as well as post-audit discussion to ascertain any area of concern;
- xvii To look into the reasons for substantial defaults in the payment to the Depositors, Debenture Holders, Shareholders (in case of non-payment of declared dividends) and Creditors;
- xviii To review the functioning of the whistle blower mechanism;
- xix Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(B) Nomination and Remuneration Committee (NRC)

The Board of Directors had constituted a Remuneration Committee. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

Composition:

As at March 31, 2024, the NRC consists of the following directors as its members with majority of non-executive independent directors:

Sr. No.	Name	Category	Position	No. of Meetings Attended
1	Dr. Shyam Sunder Sethi	Non Executive -Independent Director	Chairman	2 of 2
2	Shri M. S. Ramaprasad	Non Executive -Independent Director	Member	2 of 2
3	Shri A. R. Halasyam	Non Executive -Independent Director	Member	2 of 2

Mr. Pradeep Chandra Nayak, Company Secretary acts as the secretary of the Committee.

During the year, the Nomination and Remuneration Committee met on 30.05.2023 and 13.02.2024. The necessary quorum was present for the meetings.

Terms of Reference

The broad terms of reference of the Nomination and Remuneration Committee

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy, relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. While formulating the policy in point (i) above, the Committee shall ensure that:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

REPORT ON CORPORATE GOVERNANCE (Contd.)

- iii. Ensure that the policy mentioned in point (i) and (ii) above, are disclosed in the Board's Report.
- iv. Formulation of criteria for evaluation of Independent Directors and the Board;
- v. Shall carry out evaluation of every Director's performance.
- vi. Devising a policy on Board diversity;
- vii. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- viii. Whether to extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.
- ix. Issue and allotment of shares against exercise of stock options (<http://www.rasandik.com/report.html>)

Remuneration Policy:

i) Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole-time Director is governed by the recommendation of the Remuneration and Nomination Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of Chairman and Managing Director and Whole-time Director as approved by the shareholders at the Annual General Meeting and General Meeting respectively.

Presently, the Company does not have a stock options scheme for its Directors.

The remuneration payable to the Chairman and Managing Director (CMD) and Director (WTD) is fixed by the board within the limits approved by the shareholders in terms of the relevant provisions of the Act, 2013.

Particulars of remuneration paid to executive directors during the financial year **2023-2024:**

S No	Name	Designation	Remuneration (Rs. in lakhs)
1	Shri Rajiv Kapoor	Executive-Chairman & Managing Director	45.00

ii) Remuneration to Non-Executive Directors (including Independent Director):

The Non-executive directors are paid remuneration by way of sitting fees. Sitting fee is paid to the Non-executive directors for every meeting attended by them, which is within the limits, prescribed under the Act, 2013.

Details of shareholdings of non-executive directors in the Company as on March 31, 2024 and particulars of sitting fees paid to the non-executive and independent directors during the financial year 2023-2024 are as follows:

S No	Name of Director	Category	Sitting Fee (In Rs.)	Commission	Equity Shares held (In Nos)
1	Dr. Shyam Sunder Sethi	Independent Director	222,000	NIL	10,242
2	Shri M. S. Ramaprasad	Independent Director	111,000	NIL	0
3	Shri A. R. Halasyam	Independent Director	222,000	NIL	23,000
4	Shri Abhay Kumar Khanna	Independent Director	222,000	NIL	0
5	Smt. Deepika Kapoor	Director	222,000	NIL	54,300

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

Apart from payment of sitting fee for attending the meetings of the Board/Committee of Directors, no other remuneration has been paid to the Directors. During 2023-2024, the Company did not advance any loan to any of its Directors.

There were no pecuniary relationships or transactions with the non-executive directors' vis-a-vis the Company during the year under review, except payment of sitting fees.

The Company has not granted any stock option to its non-Executive directors.

iii) Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulations 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, Directors individually as well as evaluation of its committees. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, attendance of Directors, participation levels, bringing specialized knowledge for decision making, smooth functioning of the Board and effective decision making.

The Nomination and Remuneration committee has also carried out evaluation of every director's performance.

The performance of Board and its Committees, individual Directors, and Chairperson were found satisfactory. (<http://www.rasandik.com/report.html>)

iv) REMUNERATION OF DIRECTORS, KMP/OTHER EMPLOYEE

On the appointment or re-appointment of Managing Director, Whole-time Director and KMPs, the Committee will recommend to the Board for their approval, the remuneration to be paid to them. The Committee shall recommend to the Board, all remuneration to be paid to the Senior Management Personnel. The remuneration to all other employees shall be as per HR policy of the Company.

The annual increment of remuneration for Managing Director/ Whole-time Directors shall be made on the basis of the resolution approved by the shareholders. The annual increment in Salary of KMP (other than Managing Director/ Wholetime Directors), Senior Management Personnel shall be recommended by the Committee to the Board. The annual increment in Salary for all other employees shall be made as per HR policy of the Company.

The level and composition of remuneration as determined by the Committee shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully.

(C) STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

The Stakeholders Relationship Committee comprises of three Directors. Dr. Shyam Sunder Sethi, Independent Director is the Chairman of this Committee. The table below highlights the composition and attendance of the Members of the Committee. The requisite quorum was present at all the Meetings. During the Financial year 2023-2024, one SRC meeting was held on 13/02/2024.

The Stakeholders' Relationship Committee consists of following three members:

S No	Name	Category	Designation	No. of Meetings Attended
1	Dr. Shyam Sunder Sethi	Independent Director	Chairman	1 of 1
2	Shri M. S. Ramaprasad	Independent Director	Member	1 of 1
3	Shri A. R. Halasyam	Independent Director	Member	1 of 1

Mr. Pradeep Chandra Nayak, Company Secretary, acts as the secretary of the Committee.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The constitution of the Stakeholders' Relationship Committee and terms of reference are as prescribed under Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Key Terms of Reference of the Committee are:

The Committee meets to inter-alia, deals with various matters relating to:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

As required by SEBI (LODR) Regulations, Mr. Pradeep Chandra Nayak, Company Secretary is the compliance officer of the Company, who oversees the redressal of investor grievances.

Details of Investor Complaints

During the Financial Year 2023-2024, the Status of the Complaint received/solved as follows:

Complaints pending as on April 1, 2023	Complaints received during the year	Complaints disposed off during the year	Complaints pending as on March 31, 2024
0	0	0	0

(D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee was constituted by the Board and the Composition of CSR Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. During the year, one CSR Committee meeting was held on 13/02/2024.

Composition and Category

S No	Name	Category	Designation	No. of Meetings Attended
1	Shri M. S. Ramaprasad	Independent Director	Chairman	1 of 1
2	Shri Shyam Sunder Sethi	Independent Director	Member	1 of 1
3	Mrs. Deepika Kapoor	Director	Member	1 of 1

Mr. Pradeep Chandra Nayak, Company Secretary acts as the secretary of the Committee.

Role & Responsibilities

The role of the CSR Committee includes the following:

- i. Formulate and recommend to the Board, Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and the Rules made thereunder.
- ii. Recommend the amount of expenditure to be incurred on the activities under Corporate Social Responsibility and
- iii. Monitor Corporate Social Responsibility Policy of the Company.



REPORT ON CORPORATE GOVERNANCE (Contd.)

SHAREHOLDERS INFORMATION

GENERAL BODY MEETING

Details of last three Annual General Meetings (AGM) / Extra-Ordinary General Meetings (EGM) and Postal Ballot:

Year	Type	Date of Meeting	Venue of Meeting	Special Resolution passed
2021-22	37 th AGM	30.09.2021 at 11 AM	AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	
2021-22	Postal Ballot	25.03.2022 at 6 PM	General meeting Held through Postal Ballot-Special Resolution through Postal Ballot Voting (Including Electronic Voting).	Re-appointment of Sh. A R Halasyam (DIN 00775926) as a Non-Executive Independent Director of the company with effect from March 6, 2022 for a term of five consecutive years.
2022-23	38 th AGM	30.07.2022 at 11 AM	AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Approval of payment of remuneration to Sh. Rajiv Kapoor (DIN: 00054659) as Chairman cum Managing Director with effect from July 1, 2022 to June 30, 2025.
2023-24	39 th AGM	29.07.2023 at 11 AM	AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Monetisation by sale of Surplus and Idle assets of the Company

PASSING OF RESOLUTION BY POSTAL BALLOT:

No resolutions were passed through postal ballot during the financial year 2023-24.

MEANS OF COMMUNICATION TO SHAREHOLDERS:

Communication to Shareholders

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management, shareholder relations. The Company regularly interacts with Shareholders through multiple channels of communication such as:

Results Announcements

The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers such as Financial Express and Veer Arjun.

Integrated Annual Report and AGM

Integrated Annual Report containing audited standalone and consolidated financial statements together with

Report of Board of Directors, Management Discussion and Analysis Report, Corporate Governance Report, Auditor's Report and other important information are circulated to the Members. In the AGM, the Shareholders also interact with the Board and the Management

Company's Website

The Company's website **www.rasandik.com** contains a dedicated section for Investors where Annual Reports, quarterly and annual results, stock exchange filings, press releases, quarterly reports, all statutory policies, information relating to investor service requests, unclaimed unpaid dividend are available, apart from the details about the Company, Board of Directors and Management. The website also displays vital information relating to the Company and its performance and presentation.

Stock Exchanges

All price sensitive information and matters that are material to Shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all

REPORT ON CORPORATE GOVERNANCE (Contd.)

other corporate communications to the Stock Exchanges are filed through BSE Listing Centre, for dissemination on their respective websites.

Communication to shareholders on email: As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ RTA. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

SCORES (SEBI complaints redressal system): SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The company uploads the action taken on the complaint which can be viewed by the shareholder. The company and shareholder can seek and provide clarifications online through SEBI. Exclusive email ID for investors: The Company has designated the email id **cs@rasandik.com** exclusively for investor servicing, and the same is prominently displayed on the Company's website www.rasandik.com.

Secretarial Audit Report

The Company has undertaken Secretarial Audit for the Financial Year 2023-24 which, inter-alia, includes audit of compliance with the Act, and the Rules made thereunder, Listing Regulations, applicable Regulations prescribed by the SEBI, Foreign Exchange Management Act, 1999 and Secretarial Standards issued by the Institute of the Company Secretaries of India. The Secretarial Audit Report forms part of this Integrated Annual Report.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2023-2024 for all the applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report for financial year 2023-2024 shall be submitted to the Stock Exchanges as per the timelines prescribed under Listing Regulations.

GENERAL SHAREHOLDERS' INFORMATION

Company Registration Details

The Company is registered in the State of Haryana, India.

Corporate Identification Number (CIN)	L74210HR1984PLC032293
ISIN NO (NSDL & CDSL)	INE682D01011

Annual General Meeting for the Financial Year 2023-2024

Date and Time	31st July 2024
Venue	Video Conference and other audio-visual means ("VC/OVAM").
Financial Year	April 1, 2023 to March 31, 2024
Financial Callender	June 30, On or before 14th August, 2023
	September 30, On or before 14th November, 2023
	December, 31, On or before 14th February, 2023
	March 31, On or before 30th May, 2024
Book closure dates	July 25, 2024 to July 31, 2024
Last date for receipt of proxy form	Not Applicable

Tentative Calendar for financial year ending 31st March, 2025

The tentative date for Board Meetings for consideration of Quarterly Financial Results is as follows:

S No	Particulars of Quarter	Tentative Dates
1	Quarter ending 30 th June, 2023	On or before 14th August, 2024
2	Quarter & Half year ending 30 th September, 2023	On or before 14th November, 2024
3	Quarter & nine months ending 31 st December, 2023	On or before 14th February, 2025
4	Quarter & Year ending 31 st March, 2024	On or before 30th May, 2025

Book Closure

The dates of Book Closure are from July 25, 2024 to July 31, 2024 (Both days are inclusive).

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

Dividend: No Dividend declared for the financial year 2023-2024.

Dividend Payment History

The Table below highlights the history of Dividend declared by the Company in the last 10 financial years:

S No	Financial year	Date of Declaration of Dividend	Amount declared per share
1	2014-2015	No Dividend Declared	NIL
2	2015-2016	No Dividend Declared	NIL
3	2016-2017	No Dividend Declared	NIL
4	2017-2018	No Dividend Declared	NIL
5	2018-2019	No Dividend Declared	NIL
6	2019-2020	No Dividend Declared	NIL
7	2020-2021	No Dividend Declared	NIL
8	2021-2022	No Dividend Declared	NIL
9	2022-2023	No Dividend Declared	NIL
10	2023-2024	No Dividend Declared	NIL

Unpaid / Unclaimed Dividend of the Company for Previous Years

During the year under review, the Company has no unclaimed dividend standing to be transferred to the Investor Education and Protection Fund.

As per Section 123 of the Companies Act, 2013, the Company is required to transfer the balance amount of dividends remaining unpaid/ unclaimed for a period of 7 years from the due date to the Investor Education Protection Fund (IEPF) set up by the Central Government. It is important to note that no claim shall lie against the Company or IEPF, once amount is transferred to IEPF. No amount standing in the unpaid/ unclaimed dividend for a period of 7 years.

Any person, whose unclaimed dividend has been transferred to the Fund, may claim such shares / dividend from the IEPF Authority by submitting an online application in Form IEPF-5 available on the website www.iepf.gov.in along with fee specified by the Authority from time to time in consultation with the Central Government.

Dematerialisation of Shares and Liquidity

97.30 % of the equity shares of the Company have been dematerialized (NSDL 63.44 % and CDSL 33.86%)

as on March 31, 2024. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have an option to dematerialise their shares with either of the Depositories. The status of Demat is given below:

PARTICULARS	Number of Shares as on 31.03.2024	% of Total Issued Capital
Held in Dematerialised form in CDSL	2,023,284	33.86
Held in Dematerialised form in NSDL	3,790,308	63.44
Physical	161,408	2.70
Total No of Shares	5,975,000	100.00

Dematerialization of Shares – Process

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in demat form. For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (DP).
- Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Link Intime India Private Limited.
- RTA will process the DRF and confirm or reject the request to DP/ depositories.
- Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

Reconciliation of Share Capital Audit:

A Practicing Company Secretary carries out a Reconciliation of Share Capital (RSC) Audit on a quarterly basis to reconcile the total admitted capital

REPORT ON CORPORATE GOVERNANCE (Contd.)

with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The report was placed before the board for perusal.

The RSC audit report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

Registrar and Share Transfer Agent (RTA)

The Company has appointed M/s. Link Intime India Private Limited as Registrar and Share Transfer Agent (RTA) to take care of share transfer related matters, dematerialization / re-materialization of Shares, etc. Investor may contact the RTA at the below mentioned address:

Link Intime India Private Limited

1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058

E-mail id: delhi@linkintime.co.in,

Tel No: +91 11-49411000

Website: www.linkintime.co.in

Price of Shares and Market Capitalisation:

The closing price of the Company's share as on March 31, 2024 on the Stock Exchanges are given below:

S No	Name of the stock exchanges	Share price (Rs.)	Market Capitalisation (Rs. in Crores)
1.	BSE Limited ("BSE")	Rs. 83.14	Rs. 49.68 Crs

Listing on Stock Exchanges:

The equity shares of the Company are listed and traded on the following Stock Exchanges:

S No.	NAME & ADDRESS OF STOCK EXCHANGES	STOCK / SCRIP CODE
1.	BSE Limited ("BSE") Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001 Tel. No. 022-22721233/34 Fax: 022-22721919	522207

The Company has made payment of listing fees for FY 2023-24

Share Price Data:

The monthly High/Low Prices and Volume during the financial year 2023-2024:

All Prices in Rs.

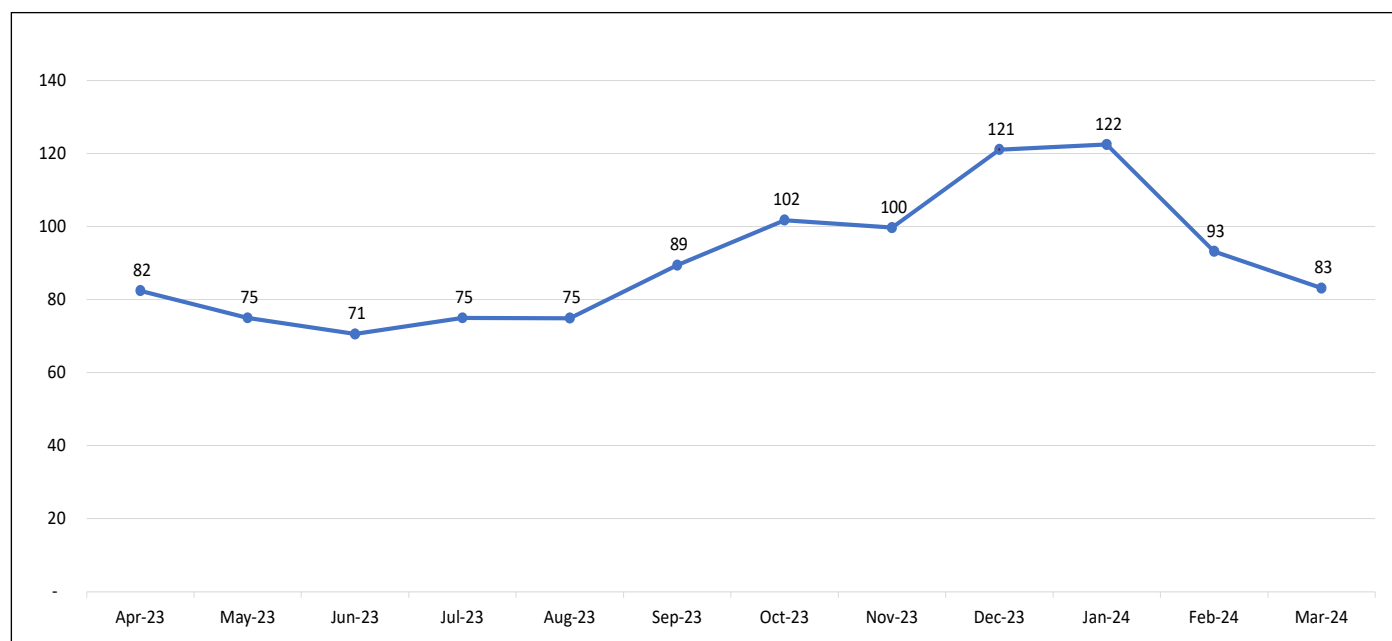
Month	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
										H-L	C-O
Apr-23	55	82.45	55	82.45	61,563	841	44,44,977	44,110	71.65	27.45	27.45
May-23	82.6	89	72.37	74.98	49,102	727	38,67,937	38,504	78.42	16.63	-7.62
Jun-23	74.98	78.77	65.4	70.55	79,450	668	56,76,312	71,390	89.86	13.37	-4.43
Jul-23	73.55	80	62.1	75	75,245	710	54,99,026	63,088	83.84	17.9	1.45
Aug-23	81	86.5	69.35	74.93	46,767	612	35,13,235	39,470	84.4	17.15	-6.07
Sep-23	77.9	103.7	73.41	89.45	1,06,106	1,586	97,00,970	75,897	71.53	30.29	11.55
Oct-23	97.35	109	87.1	101.76	1,05,301	1,147	1,04,58,584	83,691	79.48	21.9	4.41
Nov-23	100.8	103	89.7	99.7	61,540	852	59,57,042	45,479	73.9	13.3	-1.1
Dec-23	99.9	155.85	93.6	121.08	5,65,811	4,752	7,74,37,349	3,52,070	62.22	62.25	21.18
Jan-24	128	135	110	122.45	1,13,303	1,678	1,36,69,573	90,894	80.22	25	-5.55
Feb-24	122	134.4	92.25	93.2	3,26,675	2,520	3,61,34,669	2,28,593	69.98	42.15	-28.8
Mar-24	96	97.83	72.1	83.14	2,10,399	1,512	1,77,48,723	1,82,471	86.73	25.73	-12.86

*Data downloaded from www.bseindia.com



REPORT ON CORPORATE GOVERNANCE (Contd.)

Share Price Movement in 2023-2024 at BSE:



Distribution of Shareholding as on March 31, 2024

SR. NO.	SHARES RANGE			NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	TOTAL SHARES FOR THE RANGE	PERCENTAGE OF TOTAL
		to					
1	1	to	500	4826	90.290	536079	8.9720
2	501	to	1000	221	4.135	175449	2.9364
3	1001	to	2000	118	2.208	180437	2.0199
4	2001	to	3000	65	1.216	166906	2.7934
5	3001	to	4000	28	0.524	98322	1.6456
6	4001	to	5000	16	0.299	75643	1.2660
7	5001	to	10000	30	0.561	218318	3.6539
8	10001	to	*****	41	0.767	4523846	75.7129
Total				5391	100	5975000	100

Shareholding pattern of the Company as on March 31, 2024

Shareholding Pattern - Regulation 31

Category code	Category of Shareholder	Total number of shares	(%)	Total number of shares	(%)
		Shareholding Details as on 31.03.2024		Shareholding Details as on 31.03.2023	
(A)	Shareholding of Promoter and Promoter Group	3,172,840	53.10	3,172,840	53.10
(B)	Public Shareholding	2,802,160	46.90	2,802,160	46.90
	GRAND TOTAL	5,975,000	100.00	5,975,000	100.00

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the Company's equity as on March 31, 2024.

Process for requests related to physical shares

The Board has delegated the authority for approving transfer, transmission, dematerialisation of shares etc. to the Share Transfer/ Transmission Committee. A summary of transactions so approved by the Committee is placed at the Board Meeting held quarterly. The Company obtains an Annual Certificate from a Practising Company Secretary as per the requirement of Regulation 40(9) of Listing Regulations. The same is filed with the Stock Exchanges.

With effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issuance of duplicate share certificates, exchange/subdivision/ split/consolidation of securities, transmission/ transposition of securities and claim from Suspense Escrow Demat Account. Vide its Circular dated 25th January, 2022, SEBI has clarified that listed entities/ RTAs shall issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service requests.

Simplified Norms for processing Investor Service Requests

SEBI, vide its Circular dated 3rd November, 2021, as amended from time to time, had made it mandatory for holders of physical securities to furnish PAN, KYC and Nomination/Opt-out of Nomination details to avail any investor service. The timeline provided by SEBI to furnish / update the above details was 31st March, 2023, which has now been extended till 30th September, 2023. Folios wherein any one of the above mentioned details are not registered by 1st October, 2023 shall be frozen. Members who are yet to update their KYC details are therefore urged to furnish PAN, KYC and Nomination/Opt-out of Nomination by submitting the prescribed forms duly filled, by email from their registered email id to delhi@linkintime.co.in or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to M/s. Link Intime India Private Limited at Link Intime India Private Limited, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058. In accordance with the SEBI circular dated 16th March, 2023, the Company has sent out intimations to those Members, holding shares in physical form, whose folios are incomplete with PAN, KYC and/ or Nomination details, requesting them to update the details so as to avoid freezing of the folios.

PLANT LOCATIONS:

Plant I	Plant II	Plant III	Plant IV
1, Roz-Ka-Meo Industrial Area, Sohna, District- Nuh, Haryana – 122103	A-1/2-2 & A-1/2-3 Surajpur Industrial Area, Site - B, Greater Noida Uttar Pradesh -201306	E-82 & 83, MIDC, Ranjangaon, Pune Maharashtra - 412220	Kanwarsika, Sohna District- Nuh, Haryana-122103

ADDRESSES FOR COMMUNICATION:

Company at its Registered office	Share Transfer Agent
Rasandik Engineering Industries India Limited Plot No. 1, Roj-Ka-Meo Industrial Area, Sohna, District- Nuh, Haryana - 122103 Email: cs@rsandik.com Website: www.rasandik.com	Link Intime India Private Limited 1 st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Mar- ket, Janakpuri, New Delhi-110058 Tel No : +91 11-49411000 E-mail id : delhi@linkintime.co.in Website : www.linkintime.co.in

**REPORT ON CORPORATE GOVERNANCE (Contd.)****OTHER DISCLOSURES****i) Related Party transactions:**

All transactions entered into with Related Parties, as defined under the Act, 2013 and SEBI (LODR) Regulations during the financial year 2023-2024 were in the ordinary course of business and at arms' length, hence do not attract the provisions of Section 188 of the Act, 2013 and the rules made thereunder.

There were no materially significant transactions with the related parties during the year, which were in conflict with the interests of the Company and that requires approval of the Company in terms of SEBI (LODR) Regulations. The transactions with the related parties, namely its promoters, its holding, subsidiary and associate companies etc., of routine nature have been reported elsewhere in the annual report.

All Related Party Transactions are approved by the Audit Committee prior to the transaction. Related Party Transactions of repetitive nature are approved by the Audit committee on omnibus basis for one financial year at a time. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis, where ever necessary.

A confirmation as to material Related Party Transactions as per SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, is sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance. (<http://www.rasandik.com/report.html>)

ii) Subsidiary Companies

The Company does not have any Subsidiary Company.

iii) Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed prescribed Indian Accounting Standards in preparation of its financial statements.

iv) Instances of non-compliances, if any:

There were no instance of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets, during the last three years.

v) Whistle-Blower Policy / Vigil Mechanism

The Company promotes ethical behaviour in all its business activities and in line with the best international governance practices, Rasandik has established a system through which directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal.

The Company has set up a Direct Touch initiative, under which all directors, employees / business associates have direct access to the Chairman of the Audit committee. The Whistle-Blower Protection Policy aims to:

- Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization. (<http://www.rasandik.com/report.html>)

vi) Total Fee Paid to the Statutory Auditor

An amount of Rs. 22.40 lakh p.a. was paid to statutory auditor for all services provided to the company.

vii) Prevention of Sexual Harassment Policy

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under

REPORT ON CORPORATE GOVERNANCE (Contd.)

“The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” the Company has in place a formal policy for prevention of sexual harassment of its women employees.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

viii) Declaration Affirming Compliance of Provisions of the Code of Conduct

The Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended March 31, 2024.

ix) CEO and CFO Certification:

The Chairman and Managing Director and Chief Financial Officer (CFO) of the Company have certified to the board on financial and other matters in accordance with Regulation 33 of the SEBI (LODR) Regulations for the financial year ended March 31, 2024.

x) Compliance with mandatory / non-mandatory requirements:

The Company has complied with all applicable mandatory requirements in terms of SEBI (LODR) Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

xi) Code for Prevention of Insider-Trading Practices

In compliance with the SEBI regulations for Insider Trading and the provisions of Companies Act, 2013, the Company has formulated a comprehensive

code of conduct for Prevention of Insider Trading, for its management and staff. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of Rasandik, and cautioning them of the consequences of violations. The Company Secretary has been appointed as the Compliance Officer.

The Company has also formulated a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. (<http://www.rasandik.com/report.html>)

xii) Management discussion and analysis report, Familiarization Programme forms the part of the Directors' Report. (<http://www.rasandik.com/report.html>)

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014, permits circulation of annual report through electronic means to such of the members whose e-mail addresses are registered with NSDL and CDSL or the shareholders who have registered their E-mail ID with the Company to receive the documents in electronic form and physical copies sent to those shareholders whose e-mail ids have not been either registered with the Company or with the depositories.

To support this green initiative of the Government, members are requested to register their e-mail addresses, with the DPs, in case shares are held in dematerialized form and with the STA, in case the shares are held in physical form and also intimate changes, if any, in their registered e-mail addresses to the Company / DPs, from time to time.

**REPORT ON CORPORATE GOVERNANCE (Contd.)****MANAGEMENT DISCUSSION AND ANALYSIS****OVERVIEW OF ELECTRIC VEHICLE INDUSTRY**

According to the latest automobile industry trends, the automobile industry is witnessing a major shift towards electric mobility, with more and more automakers investing in the development of electric vehicles (EVs). Governments across the globe are implementing policies to support the growth of the EV market, making these environmentally friendly cars even more popular. With increasing concerns over air pollution and rising fuel prices, the adoption of EVs can grow exponentially in future.

According to a recent report by research firm Counterpoint, (EV) sales in India are expected to rise 66 per cent this year after nearly doubling in 2023 as the state subsidies help fuel demand and supporting infrastructure comes up in the country. This comes after India's EV sales nearly doubled in 2023, driven by rising consumer interest and concerns over climate change. By 2030, EVs are expected to represent nearly one-third of India's PV market, signaling a robust long-term growth trajectory in the country's automotive sector. 'The rise in EV battery manufacturing, supported by key players like Ola, Reliance New Energy and ACC Energy Storage, alongside the Make in India initiative, will lower manufacturing costs and boost EV sales, said the research firm. Government initiatives such as the PLI scheme for Advanced Chemistry Cells (ACC) and the recent reduction in import duties on EVs are game changers. All this signals India's readiness to welcome significant investments and foster a new ecosystem for EVs and their component suppliers.

The automotive industry is going through a lot of big changes, with new technology and evolving consumer preferences. Electric mobility, autonomous driving, connected cars, shared mobility and the use of lightweight materials are all trends that are going to make things better. These trends in the automotive industry will make transportation safer, more environmentally friendly and more efficient, and they will also be better at meeting the different needs of people all around the world.

INDIA'S EV MARKET OUTLOOK

By 2030, as per a Bain & Co. report, electric two-wheelers could make up about 40 to 45 percent of all EVs sold in

India, and electric passenger vehicles could make up about 15 to 20 percent. However, per a Niti Aayog report, the Indian government is aiming for EV adoption to reach 40 percent for buses, 30 percent for private cars, 70 percent for commercial vehicles, and 80 percent for two-wheelers by that timeline.

According to data from VAHAN, India's electric two-wheeler market experienced a notable surge in sales in the third quarter of FY 2023-24 (Q3 FY 24) compared to the previous quarter (Q2 FY 24), with a 34.42 percent increase. This uptick is also reflected by the robust sales in the ongoing fiscal – Q4 FY 24 – with 76,301 units sold.

Meanwhile, the Economic Survey of India 2023 had forecast a robust 49 percent compound annual growth rate (CAGR) in India's domestic electric vehicle market between 2022 to 2030, with an estimated 10 million annual sales by 2030. Projections indicate that the EV industry is set to generate approximately 50 million direct and indirect employment opportunities within the next seven years.

ADDITIONAL MEASURES INITIATED BY THE GOVERNMENT FOR GREEN MOBILITY:

The government has introduced additional measures to accelerate green mobility. These include:

1. The Union Budget 2023-24 extended the exemption of customs duty to the import of capital goods and machinery required for the production of lithium-ion cells for electric vehicle batteries.
2. The GST on electric vehicles has been reduced from 12 percent to 5 percent, and the GST on chargers and charging stations for electric vehicles has been reduced from 18 percent to 5 percent.
3. Both commercial and private battery-operated vehicles are provided with green license plates and are exempted from permit requirements.
4. A waiver on road tax for EVs has been introduced, reducing the initial cost of EVs for consumers.
5. To expand and fortify the public electric vehicle charging infrastructure nationwide, the Ministry of Power has issued revised consolidated Guidelines and Standards that involve private players in the installation of EV charging stations. Oil marketing

REPORT ON CORPORATE GOVERNANCE (Contd.)

companies have also announced plans to establish 22,000 EV charging stations in major cities and along national highways across the country.

LOCALISATION IN A HIGHER GEAR

The automotive industry, backed by government support, has undertaken many initiatives to localise non-critical components and establish electronics assembly and design centres within the country. The government's Production Linked Incentive (PLI) scheme is also facilitating the entry of numerous global companies into the country, promoting our goal of localisation. A positive outlook for FY24 is also an opportunity to press the point of localisation harder.

CHALLENGES AND OPPORTUNITIES

The automobile industry is dependent on various factors such as the availability of skilled labour at low cost, robust R&D centres, and low-cost steel production. The industry also provides great investment opportunities and direct and indirect employment to skilled and unskilled labour.

For EV adoption to take off even further, the automotive industry must continue investing in public charging infrastructure and forward-looking technology like Vehicle-to-Grid (V2G) solutions. Focus is shifting to electric vehicles to reduce emissions. According to NITI Aayog and the Rocky Mountain Institute (RMI), India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) by 2030.

Technological evolution and supply chain advantages are the main reasons why EV sales have prevailed, despite the larger automotive industry struggling recently. More specifically, the following trends have helped create a shield around EV automakers:

- Improvements in EV battery density
- Longer driving ranges for electric vehicles
- Growing availability of EV models in higher-volume vehicle segments
- EVs usually don't need larger process node/legacy technologies that can delay manufacturing completion and shipment

- Being high-margin models, EVs typically receive priority access to components that are in short supply

One of the remarkable advantages of electric three-wheelers is their ability to offer substantial cost savings compared to their gas-powered counterparts, which currently dominate the market. Electric three-wheelers offer lower operating costs by eliminating the need for conventional fuel and reducing fuel expenses. As a result, customers can reduce their running costs by an impressive 70% to 80%. This cost efficiency serves as a compelling incentive for consumers to embrace electric mobility.

Looking ahead, we have reason to be optimistic. This strong growth trajectory underscores the growing demand and acceptance of electric three-wheelers among customers. The electric three-wheeler market is currently dominated by low-speed vehicles. However, we are witnessing a gradual emergence of the high-speed segment, particularly in the goods delivery or cargo sector. While it is still in its nascent stage, the high-speed market shows great promise and is steadily gaining traction.

BUSINESS OUTLOOK

The company has kept its commitment to improve and increase the overall business growth and having varieties of products to supply in market. The Company is also making hard effort to increase export business in near future.

Rasandik, with a strong commitment to promoting electric mobility, has bolstered its futuristic product portfolio with electric vehicles in the L5 category, Rasandik's SAMRAT Electric Three-Wheeler vehicles (E-Auto), designed to cater to a wide range of needs, with various variants, tailored for passenger transportation, load carrying, and garbage collection services. Through this diverse product range, the Company showcases its advancements in the field of electric mobility.

With zero pollution emissions and no permit requirements, SAMRAT portfolio offers a reliable and environmentally friendly mobility solution. The Company prioritizes customer satisfaction through its dedication to delivering products of the highest Quality, Reliability, and Economy.

**REPORT ON CORPORATE GOVERNANCE (Contd.)**

It understands the significance of meeting customer expectations and strives to exceed them by ensuring Timely Delivery and providing Exceptional Service. As Rasandik takes this exciting stride into the EV market, its aim is to provide an outstanding experience and contribute to a sustainable future with the following products:

Sr. No.	E - AUTO VARIANTS	FEATURE OF E - AUTO
1	E - Auto Samrat D+6 Driver Plus 6 passenger seating capacity	Modern Features for Great Comfort not only make every ride stylish, but also add greater comfort than ever before for the driver and passenger
2	E - Auto Samrat D+3 Driver Plus 3 passenger seating with luggage carrying	
3	E - Auto Samrat Loader	Vehicles are plugging the intra-city transportation needs with last mile connectivity in goods transport.
4	E - Auto Samrat Mobile Shop	Carrier for-Milk, Water Bottle, Bread, Bakery, Poultry Products, Gas Cylinder; a Vegetable Van; an Ice-Cream Van; a Fast Food Van and much more.
5	E - Auto Samrat Hi-Deck	
6	E - Auto Samrat Garbage Manual	The garbage truck is specially designed to collect municipal waste and transport it to a waste treatment facility.
7	E - Auto Samrat Garbage Hydraulic	

OPPORTUNITIES IN EV MARKET

The Company having manufacturing a range of products under the L5 category vehicle, with the brand name 'SAMRAT'. Under the SAMRAT brand, the Company manufactures range of variants to cater to different needs. In the Passenger segment, 'Driver+6' passengers suit their specific transportation needs, in addition to the traditional configuration of 'Driver+3' passengers. Furthermore, SAMRAT is available in both Load Carrier and Delivery Van variants, providing efficient and reliable solutions for commercial purposes. These variants have been specifically designed to meet the demands of businesses, ensuring seamless transportation of goods with utmost convenience. One of the key highlights of the 'SAMRAT' range is its commitment to sustainability. These electric vehicles are driven by electric motors, resulting in zero

pollution and minimal environmental impact.

THREAT:

The company are subject to rising rules and regulations that govern the production, disposal, and clean-up of hazardous chemicals, as plastic products usage contributes to environmental pollution. In addition, Product lifecycle has decreased from years to months, affecting the entire supply chain of plastic goods. Any major upward movement in the steel and other parts Prices could change the inflationary scenario impacting on input prices and the margin of the Company.

RISK AND CONCERNS:

The company is exposed to several potential risks like technological changes, political risks, product distribution both from internal and external sources but the same can be anticipated and curbed by addressing them in its early stages for a long-term corporate success. The company maintains an inbuilt mechanism to track any suspicious events and frauds in the business. In addition, the Board and the Audit Committee of the Company periodically reviews the risk management procedures and takes various preventive measures to mitigate the risk factors.

PRODUCT ANALYSIS & REVIEW

Your company caters to the following Product Sectors:

- Electric Vehicles
- Sheet Metal Components
- Die & Tools
- TWB

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring that all transactions are authorized, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastages and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. The Board has constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records and accordingly appropriate actions are taken by the management.

REPORT ON CORPORATE GOVERNANCE (Contd.)

OPERATING RESULTS AND PROFITS

With emerging E-Auto business, reduction of Bank Loan resulting into reduction in finance cost and continued focus on several measures undertaken by the Company like cost cutting and quality and process improvements have all resulted in the Company to achieving a satisfactory performance.

FINANCE CHARGES

The Finance Costs were Rs. 94.39 millions in the year 2023-24 as against Rs. 106.79 millions in the year 2022-23.

DEPRECIATION

Current Year Depreciation was at Rs. 61.46 millions in comparison to Rs. 70.89 millions in previous year.

TAX

Deferred Tax amounting to Rs.4.82 millions as compared to (Rs. 14.21) millions in the previous year.

NET PROFIT /(LOSS)

Total comprehensive income for the year 2023-24 is Rs. 72.12 as compared to Net Profit/(Loss) after tax for the year 2022-23 is (Rs.31.77) million. Net Profit/(Loss) after tax for the year 2023-24 is Rs. 71.29 million

as compared to Net Profit/(Loss) after tax for the year 2022-23 is (Rs.32.97) million.

INDUSTRIAL RELATIONS AND HUMAN RESOURCE

Industrial relations continued to be harmonious both at all the manufacturing unit. Our employees are our greatest asset and we are committed to attract, retain and recognize talent. We encourage fresh minds and new ideas. The Company constantly facilitates and encourages its employees at all levels to enhance their knowledge and skills and continuously seeks to inculcate within its employees, The Company inculcates a strong sense of business ethics and social responsibility.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Statements made above are on the basis of the available data as well as certain assumptions as to the economic conditions, various factors affecting raw material prices and selling prices, trend and consumer demand and preferences, governing and applicable laws and other economical and political factors. The management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed or implied therein.

**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To,
The Board of Directors
Rasandik Engineering Industries India Ltd.

Sub: Annual Certificate of Compliance for the /Year ended March 31, 2024 (FY 2023-2024)

Sir

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. 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:
- i) significant changes in such internal control over financial reporting during the year;
 - ii) 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 iii) 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 for financial reporting.

For Rasandik Engineering Industries India Ltd.

New Delhi, May 29, 2024

(Rajiv Kapoor)
Chairman & Managing Director

(Gautam Bhattacharya)
Chief Financial Officer

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To
The shareholders of
Rasandik Engineering Industries India Ltd.

On the basis of the written declarations received from members of the Board and senior management personnel in terms of the relevant provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that both the members of the Board and the senior management personnel of the Company have affirmed compliance with respective provisions of the code of Business Conduct and Ethics of the Company as laid down by the board for the year ended March 31, 2024

For Rasandik Engineering Industries India Ltd.

New Delhi, May 29, 2024

(Rajiv Kapoor)
Chairman & Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

To,

The Members,

Rasandik Engineering Industries India Limited,

(CIN: L74210HR1984PLC032293),

Reg. Off: Plot No. 1, Roj-Ka-Meo Industrial Area,

Sohna, District. – Mewat, Haryana - 122103

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Rasandik Engineering Industries India Limited**, having CIN: **L74210HR1984PLC032293** and having its Registered Office at Plot No. 1, Roj-Ka-Meo Industrial Area, Sohna, District- Nuh, Haryana – 122103 (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 Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March 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 the Director	DIN	Date of Appointment	Date of Cessation
1	RAJIV KAPOOR	00054659	10/01/1984	NA
2	DEEPIKA KAPOOR	00054799	10/01/1984	NA
3	SHYAM SUNDER SETHI	01394311	08/06/2002	NA
4	A R HALASYAM	00775926	06/03/2017	NA
5	M S RAMAPRASAD	00842539	14/11/2011	NA
6	ABHAY KUMAR KHANNA	06919161	14/09/2020	NA

Ensuring the eligibility 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 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 AKDC & Associates

Chartered Accountant

CA AWANISH KUMAR

Partner FCS:

CP No:

UDIN: 24510868BKCGWK6984

Date: 29-05-2024

Place: New Delhi

INDEPENDENT AUDITORS' REPORT

To the Members of Rasandik Engineering Industries India Limited

Report on the Audit of the Financial Statements

QUALIFIED OPINION

1. We have audited the accompanying financial statements of Rasandik Engineering Industries India Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR QUALIFIED OPINION

3. We draw attention to note no. 6 of the accompanying financial statements, regarding assessment of net realizable value of certain items of inventory lying unconsumed (either due to ageing or utility). In the absence of such an assessment, net realizable value of certain items of inventories are not determinable as at the reporting date. Accordingly, we are unable to comment upon the value of adjustments required to the carrying value of the inventories and consequential impact on the accompanying financial statements.
4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities

for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.

GOING CONCERN ASSESSMENT

5. We draw attention to note no. 1.4(f) of the accompanying financial statements regarding preparation of the financial statements on going concern basis for the reasons stated therein. The accompanying financial statements indicate that the Company's total current liabilities exceeds total current assets by Rs. 1,371.86 lakhs. However, based upon the measures as set forth in the note no. 1.4(f) of the accompanying financial statements, including necessary financial support from promoter shareholders, the management and the Board of Directors of the Company have a reasonable expectation that the Company will continue to operate as a going concern. Accordingly, management has prepared the financial statements on a going concern basis.

Our opinion is not modified in respect of the above matter.

EMPHASIS OF MATTER

6. We draw attention to note no. 13(b) of the accompanying financial statements regarding certain fixed assets classified as "non-current assets held for sale" as explained therein.

Our opinion is not modified in respect of the above matter.

KEY AUDIT MATTERS

7. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context

INDEPENDENT AUDITORS' REPORT (Contd.)

of our audit of the 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.

S. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue recognition:</p> <p>For the year ended 31 March, 2024 the Company has recognized revenue from contracts with customers amounting to Rs. 8,625.29 lakhs.</p> <p>Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company is entitled in exchange for those goods or services.</p> <p>The Company has generally concluded that as principal, it controls the goods or services before transferring them to the customer. Revenue is also an important element of how the Company measures its performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred.</p> <p>Accordingly, due to the risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it is determined to be a key audit matter in our audit of the financial statements.</p>	<p>Our audit procedure included, among others,</p> <ul style="list-style-type: none"> • Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers. • Performed sample tests of individual sale transactions and traced to sales invoices, sales orders and other related documents. • Tested the provision calculations related to price revisions/ increase etc., by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents. • To test cut off selected sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods.

OTHER INFORMATION

8. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in Annual Report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditor's report.
9. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
10. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
11. When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions as applicable under the relevant laws and regulations.

MANAGEMENTS AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

12. The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT (Contd.)

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- (i) Identify and assess the risks of material misstatement of the 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.
- (ii) 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 financial statements in place and the operating effectiveness of such controls.

- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
 - (iv) Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
17. 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.
18. 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.
19. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore

INDEPENDENT AUDITORS' REPORT (Contd.)

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

20 As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

21 As required by Section 143(3) of the Act, we report that:

- (i) We have sought and except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (ii) Except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, 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.
- (iii) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (iv) Except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(v) In our opinion, the matter described in the Basis for Qualified Opinion paragraph above, may have an adverse effect on the functioning of the Company;

(vi) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(vii) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

(viii) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(ix) With respect to the other matters to be included in the Auditor's 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/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

22 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, 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, if any, of pending litigations which would impact its financial position – Refer Note No. 36 of the financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

INDEPENDENT AUDITORS' REPORT (Contd.)

(iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note No. 49(a) to the financial statement, 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 to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note No. 49(b) to the financial statement, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

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) The Company has neither declared nor paid any dividend during the year.
- (vi) The Company has used an accounting software for maintaining its books of accounts. Based on our examination and explanations give to us, we are unable to comment whether audit trail feature of the said software (both at an application and database level) was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

For **V. Sankar Aiyar & Co.**

Chartered Accountants

ICAI FRN: 109208W

Place: New Delhi

Date: 29 May 2024

Karthik Srinivasan

Partner (M. No. 514998)

UDIN: 24514998BKCTBR9492

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

To the members of Rasandik Engineering Industries India Limited on the financial statements for the year ended 31 March 2024

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment.
- (B) The Company has no Intangible Assets. Hence, paragraph 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) As explained to us, the Property, Plant and Equipment are physically verified by the Management in accordance with a phased programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given by the management, the Company has not revalued its Property, Plant and Equipment during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given by the management, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, paragraph 3(i)(e) of the Order is not applicable.
- (ii) (a) As informed to us, inventories have been physically verified during the year by the management except goods-in-transit and stocks lying with third parties for which confirmation are not available. In our opinion, the frequency of verification is reasonable. No discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in aggregate of each class of inventory.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are not in agreement with the books of account of the Company for the reasons stated in note no. 20 of the financial statements.
- (iii) The Company has not made any investment in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships. The Company has granted loans to its employees during the year.
- (a) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other entity during the year. Accordingly, reporting under clause 3(iii) (a) of the Order is not applicable to the Company.
- (b) The terms and conditions of the grant of loans to employees are not, prima facie, prejudicial to the interest of the Company.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

- (c) In respect of loans given by the Company to its employees, the schedule of repayment of principal has been stipulated and the repayments of principal have generally been regular as per stipulation.
- (d) There is no overdue amount in respect of loans granted to such employees.
- (e) No loans or advances in the nature of loans granted by the Company which have fallen due during the year, have been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of Company's activities. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted or accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess have not generally been regularly deposited by the Company with the appropriate authorities though the delays in deposit have not been serious.
- According to the information and explanations given to us, no undisputed amounts payable in respect of the statutory dues referred to in sub-clause (a) were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, statutory dues relating to Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute are as follows:-

Nature of dues	Financial Year	Amount (in Lakhs)	Forum where pending
Central Sales Tax	2015-16	11.19	Excise and Taxation officer, Mewat
Central Sales Tax	2016-17	30.26	Excise and Taxation officer, Mewat
Maharashtra Goods and Services Tax	2017-18	20.28	Joint Commissioner of State Tax
The Customs Act, 1962	2011-12	990.37	Customs, Excise and Service Tax Appellate Tribunal (CESTAT)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(viii) According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 (43 of 1961) as income during the year.

(ix) (a) Based on the examination of records and information and explanation given to us, the Company has defaulted in repayment of its loans or payment of interest to lenders as follows:

(Rs. in Lakhs)

Nature of Borrowings including Debt Securities	Name of the Lender	Amount of Monthly instalments, not paid on due date	Whether principal or Interest	No of days delay -varying between	Remarks, if Any
GECL Term Loans	Punjab National Bank	9.24 to 9.38	Interest	5 Days to 28 days	
GECL Term Loans	Punjab National Bank	30.73	Principal	5 Days to 28 days	
Term Loan	Punjab National Bank	2.87 to 5.19	Interest	1 Days to 6 Days	
Term Loan	Indian Bank / Punjab National Bank	2.12 to 2.18	Interest	12 Days to 14 Days	

- (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 government or any government authority.
- (c) In our opinion and according to information and explanation given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term purposes by the Company.
- (e) The Company has no subsidiaries, associates or joint venture. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- (f) The Company has no subsidiaries, associates or joint venture. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanation given to us, no fraud by the Company or on the Company has been noticed or reported during the course of audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, no complaints are raised from whistle-blower during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statement as required by the applicable accounting standard.
- (xiv) (a) Based on the information and explanations given to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and accordingly, paragraph 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable to the Company.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) 3(xvi)(d) and of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) We draw attention to note no. 1.4(f) to the financial statements, which indicates that the Company's current liabilities exceed its current assets by ₹ 1,371.86 lakhs. According to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, indicate that material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Hence reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.
- (xxi) According to the information and explanations given to us, the Company does not have subsidiary, associate and joint venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI FRN: 109208W

Place: New Delhi
Date: 29 May 2024

Karthik Srinivasan
Partner (M. No. 514998)
UDIN: 24514998BKCTBR9492

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

ON THE FINANCIAL STATEMENTS OF RASANDIK ENGINEERING INDUSTRIES INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. We have audited the internal financial controls with reference to financial statements of Rasandik Engineering Industries India Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 financial statements were established and maintained and whether such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

QUALIFIED OPINION

8. According to the information and explanations given to us and based on our audit the following material weakness/es have been identified as on 31 March 2024:

- (i) As described in note no. 6, regarding assessment of net realizable value of certain items of inventory lying unconsumed (either due to ageing or utility). In the absence of such an assessment, net realizable value of certain items of inventories are not determinable as at the reporting date. Accordingly, we are unable to comment upon the value of adjustments required to the carrying value of the inventories and consequential impact on the accompanying financial statements.
- (ii) The Company does not have an effective system of obtaining balance confirmation and reconciliation

of balances of trade receivables, trade payables and other payables/receivables.

9. In our opinion, except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as of 31 March 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

EXPLANATORY PARAGRAPH

10. We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the Ind AS financial statements of the Company, which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of material accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the 31 March 2024 Ind AS financial statements of the Company and this report affect our report dated 29 May 2024, which expressed a qualified opinion on those financial statements.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
ICAI FRN: 109208W

Place: New Delhi
Date: 29 May 2024

Karthik Srinivasan
Partner (M. No. 514998)
UDIN: 24514998BKCTBR9492

BALANCE SHEET

AS AT 31 MARCH 2024

(All figures in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31-03-2024	As at 31-03-2023
ASSETS			
Non Current Assets			
Property, plant and equipment	2	13,102.27	14,587.81
Capital work-in-progress	2	7.72	9.74
Financial assets			
Loans	3	0.90	-
Others financial assets	4	70.06	92.77
Non current tax assets (Net)		69.40	72.78
Other non-current assets	5	90.51	74.77
Total Non Current Assets (A)		13,340.86	14,837.87
Current Assets			
Inventories	6	2,891.59	4,191.89
Financial assets			
Trade receivables	7	623.39	1,165.70
Cash and cash equivalents	8	5.28	3.25
Bank balances other than above	9	25.54	38.85
Loans	10	0.60	-
Others current financial assets	11	268.59	344.42
Other current assets	12	150.09	147.82
Total Current Assets (B)		3,965.08	5,891.93
Non Current Assets held for sale (C)	13	1,180.78	1,777.15
Total Assets (A+B+C)		18,486.72	22,506.95
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	597.50	597.50
Other equity	15	9,471.99	8,713.55
Total equity (D)		10,069.49	9,311.05
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
Borrowings	16	1,051.14	1,449.96
Provisions	17	42.52	51.23
Deferred tax liabilities (Net)	18	1,986.63	2,019.53
Other non current liabilities	19	-	95.25
Total Non Current Liabilities (E)		3,080.29	3,615.97
Current Liabilities			
Financial Liabilities			
Borrowings	20	2,993.21	6,185.00
Trade payables - Total outstanding dues of	21		
Micro enterprises and small enterprises		-	-
Creditors other than micro enterprises and small enterprises		1,200.56	1,641.90
Other financial liabilities	22	214.08	300.06
Provisions	23	312.68	740.72
Other current liabilities	24	534.37	630.21
Current tax liabilities (Net)		82.04	82.04
Total Current Liabilities (F)		5,336.94	9,579.93
Total Equity and Liabilities (D+E+F)		18,486.72	22,506.95

Corporate information and summary of material accounting policies 1
 The accompanying notes to 1 to 55 form an integral part of the Financial Statements.

As per our attached report of even date.

For **V. Sankar Aiyar & Co.**

Chartered Accountants

ICAI Firm Registration No.109208W

Karthik Srinivasan

Partner

Membership No. 514998

For and on behalf of the Board of Directors

Rajiv Kapoor

Chairman & Managing Director

DIN : 00054659

Gautam Bhattacharya

Chief Financial Officer

Pradeep Chandra Nayak

Company Secretary

ACS 15852

Dr. Shyam S. Sethi

Director

DIN : 01394311

Abhay Kumar Khanna

Director

DIN : 06919161

Place : New Delhi

Dated : 29th May, 2024

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2024

(All figures in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended 31-03-2024	Year ended 31-03-2023
INCOME			
Revenue from operations	25	8,625.29	15,001.86
Other income	26	2,933.21	637.71
Total Income		11,558.50	15,639.57
EXPENSES			
Cost of materials consumed	27	6,177.53	10,351.23
Changes in inventories of finished goods and work in progress	28	357.42	358.67
Manufacturing and operating expenses	29	756.80	1,311.67
Employee benefits expense	30	1,034.01	1,337.89
Finance costs	31	943.86	1,067.85
Depreciation and amortisation expense	32	614.64	708.88
Other expenses	33	1,072.52	784.09
Total Expenses		10,956.78	15,920.28
Profit/ (loss) before Exceptional items and tax		601.72	(280.71)
Exceptional Items (Refer Note No. 38)		62.92	(191.09)
Profit/ (loss) before tax		664.64	(471.80)
Tax expense :			
Current tax		-	-
Deferred tax	18	(48.23)	(142.06)
Total tax expenses		(48.23)	(142.06)
Profit / (loss) for the year		712.87	(329.74)
Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent years:			
Re-measurement gains/ (losses) on defined benefit plans		11.23	16.08
Income Tax relating to items that will not be reclassified to Profit or Loss		(2.83)	(4.05)
Other comprehensive income for the year		8.40	12.03
Total comprehensive income for the year		721.27	(317.71)
Earning per Equity Share of ₹ 10/- each			
Basic (Rs)	35	11.93	(5.52)
Diluted (Rs)		11.93	(5.52)

Corporate information and summary of material accounting policies

1

The accompanying notes to 1 to 55 form an integral part of the Financial Statements.

As per our attached report of even date.

For **V. Sankar Aiyar & Co.**

Chartered Accountants

ICAI Firm Registration No.109208W

Karthik Srinivasan

Partner

Membership No. 514998

For and on behalf of the Board of Directors

Rajiv Kapoor

Chairman & Managing Director

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Dr. Shyam S. Sethi

Director

DIN : 01394311

Abhay Kumar Khanna

Director

DIN : 06919161

Place : New Delhi

Dated : 29th May, 2024

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

(All figures in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Cash Flow from Operating Activities:		
Profit / (Loss) after exceptional Items & before Tax	664.64	(471.80)
Adjustments for :		
Depreciation and amortisation expense	614.64	708.88
Interest income	(5.52)	(4.84)
Provision for diminution in Stocks (net)	(84.65)	-
Profit on sale of property, plant and equipments	(2,828.94)	(585.13)
Balance written back of trade payable / advances/provisions	(96.24)	(23.80)
Provision for doubtful assets (net)	(57.94)	-
Bad debts/recoverables written off	18.68	15.02
Finance costs	943.86	1,067.85
Operating profit before working capital changes	(831.47)	706.18
Adjustments for :		
(Increase)/Decrease in Trade receivables	651.43	477.78
(Increase)/Decrease in Inventories	1,384.95	742.78
(Increase)/Decrease in Other financial asset	27.18	79.61
(Increase)/Decrease in Other current/non current asset	(9.06)	181.29
Increase/(Decrease) in Trade payables	(440.35)	(730.85)
Increase/(Decrease) in Other financial liabilities	(77.78)	(42.59)
Increase/(Decrease) in Other current/non current liabilities and Provisions	(468.66)	(104.66)
Cash generated from operations	236.24	1,309.54
Income taxes paid (net of refund, if any)	3.38	21.11
Net Cash from Operating Activities	239.62	1,330.65
Cash Flow from Investing Activities:		
Purchase of property, plant and equipments including capital work in progress	(69.05)	(343.43)
Capital advances	(8.95)	-
Advance against sale of property, plant and equipments	(52.70)	258.90
Sale of property, plant and equipment (net)	4,367.28	908.67
Investment in fixed deposits (Net)	13.31	(18.76)
Interest received	5.52	4.84
Net Cash used in Investing Activities	4,255.41	810.22
Cash Flow from Financing Activities		
Repayments of long term borrowings	(720.42)	(1,468.90)
Proceeds from long term borrowings	254.00	170.00
(Repayments) / proceeds from short term borrowings (net) (refer note below)	(3,090.59)	245.50
Interest paid	(935.99)	(1,087.92)
Net Cash used in Financing Activities	(4,493.00)	(2,141.32)
Net Increase in Cash and Cash Equivalents	2.03	(0.45)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Cash and Cash Equivalents (Opening Balance)	3.25	3.70
Effect of exchange differences on translation of foreign currency cash & cash equivalents		
Cash and Cash Equivalents (Closing Balance)	5.28	3.25
Break up of closing cash & cash equivalent		
Current Accounts	0.31	3.04
Multi currency	4.80	
Cash in Hand	0.17	0.21
	5.28	3.25
Reconciliation of liabilities from financing activities	Non Current Borrowings #	Non Current Borrowings #
Balance as at the beginning of the year	2,168.05	3,535.15
Add: Proceeds	254.00	170.00
Add: Unwinding cost	16.07	-
Less: Repayments	(720.42)	(1,468.90)
Less: Considered as deemed equity (refer note no. 15)	(49.67)	(68.20)
Balance at the end of the year	1,668.03	2,168.05

Note : Proceeds in case of short term borrowings reflect amount received during the year net of repayment.

including current maturities of long term borrowings

The Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

Corporate information and summary of material accounting policies

1

The accompanying notes to 1 to 55 form an integral part of the Financial Statements.

As per our attached report of even date.

For **V. Sankar Aiyar & Co.**

Chartered Accountants

ICAI Firm Registration No.109208W

Karthik Srinivasan

Partner

Membership No. 514998

For and on behalf of the Board of Directors

Rajiv Kapoor

Chairman & Managing Director

DIN : 00054659

Gautam Bhattacharya

Chief Financial Officer

Pradeep Chandra Nayak

Company Secretary

ACS 15852

Dr. Shyam S. Sethi

Director

DIN : 01394311

Abhay Kumar Khanna

Director

DIN : 06919161

Place : New Delhi

Dated : 29th May, 2024

STATEMENT OF CHANGES IN EQUITY

(All figures in ₹ Lakhs, unless otherwise stated)

(a) Equity Share Capital

Particulars	Amount
Balance as at April 1, 2022	597.50
Changes in equity share capital during the year	-
Balance as at March 31, 2023	597.50
Changes in equity share capital during the year	-
Balance as at March 31, 2024	597.50

(b) Other Equity

Particulars	Reserves and Surplus					Total Other Equity
	Retained Earning	General Reserve	Securities Premium Account	Capital Reserve	Deemed Equity	
As at 1st April, 2022	5,731.20	724.74	2,481.74	42.54	-	8,980.22
Adjustments:						
Profit/ (loss) for the year	(329.74)	-		-	-	(329.74)
Addition during the year (refer note no. 15)					68.20	68.20
Tax impact on above					(17.16)	(17.16)
Re-measurement gains (losses) on defined benefit plans	12.03	-		-	-	12.03
As at 31st March, 2023	5,413.49	724.74	2,481.74	42.54	51.04	8,713.55
Adjustments:						
Profit/ (loss) for the year	712.87					712.87
Addition during the year (refer note no. 15)					49.67	49.67
Tax impact on above					(12.50)	(12.50)
Re-measurement gains (losses) on defined benefit plans	8.40					8.40
As at 31st March, 2024	6,134.76	724.74	2,481.74	42.54	88.21	9,471.99

Corporate information and summary of material accounting policies 1

The accompanying notes to 1 to 55 form an integral part of the Financial Statements.

As per our attached report of even date.

For **V. Sankar Aiyar & Co.**

Chartered Accountants

ICAI Firm Registration No.109208W

Karthik Srinivasan

Partner

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Dr. Shyam S. Sethi

Director

DIN : 01394311

Abhay Kumar Khanna

Director

DIN : 06919161

Place : New Delhi

Dated : 29th May, 2024

NOTES TO FINANCIAL STATEMENTS

AS ON AND FOR THE YEAR ENDED 31 MARCH 2024

(All figures in ₹ Lakhs, unless otherwise stated)

1. Company Overview and Material Accounting Policies

1.1 Company Overview

Rasandik Engineering Industries India Limited ("the Company") is a public limited company incorporated in India, listed on Bombay Stock Exchange (BSE). The registered office is located at Plot No. 1, Roj-Ka-Meo Industrial Area, Sohna, Gurgaon, Haryana, India, 122103. The principal activities of the company are manufacturing of sheet metal components, muffler assemblies, fuel tank, tools & dies for motor vehicles, spare parts and Manufacturing of electric 3 wheeler (L-5) category

1.2 Basis of preparation and Presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on historical cost convention and on an accrual basis except for the following:

- (i) Derivative financial instruments,
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle (twelve months) and other criteria set out in the schedule III to the Act.

Company's financial statements are presented in India Rupees, which is its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date and has an established control framework with respect to measurement of fair values. The Chief Financial Officer and persons entrusted have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values

and assessments that these valuations meet the requirements of Ind AS. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 44 - Financial risk management.

1.3 Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from

NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. An overview of the areas that involves a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed have been disclosed in note no. 1.4. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

1.4 Critical accounting judgments, estimates and assumptions

(a) Useful lives of Property, plant and equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on technical evaluation and take into account anticipated technological changes. Depreciation for future periods is adjusted if there are significant changes from previous estimates.

(b) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change.

(c) Estimation of defined benefits obligations – refer note no. 39

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

(d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(e) Contingent liabilities

The Company has received various orders and notices from tax and other judicial authorities in respect of direct taxes, indirect taxes and labour matters. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate. Management regularly analyzes current information about these matters and makes provisions for probable losses including the estimate of legal expense to resolve the matters. In their assessments management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss.

(f) Going concern assumptions

For the financial year ended 31 March 2024, the Company's net current liabilities as at 31 March 2024 was ₹ 1,371.86 lakhs (₹ 3,688.00 lakhs as at 31 March 2023). Notwithstanding this, the financial statements are prepared on a going concern basis as the management believes that the business operations would be able to generate sufficient cash flow to meet its short-term obligations in near future. Towards this objective, the management is constantly engaged in various initiatives like rationalizing costs, negotiating extended credit terms with suppliers, monetising of certain assets (refer note no. 13) and taking appropriate initiatives to improve revenues and reduction in net current liabilities position. Further, subsequent to the year, land and building aggregating to ₹ 750.19 lakhs included in "non-current asset held for sale" as at 31 March 2024 has been sold for an amount of ₹ 1,400.00 lakhs. The proceeds from sale of said immovable property was utilised for payment of

NOTES TO FINANCIAL STATEMENTS**AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

finance cost and repayment of loans obtained from Banks. This has further resulted in improvement of net current liabilities position of the Company. In addition, the Company has received a letter of financial support from a substantial shareholder (Managing Director) / promoter to provide continuing financial support to the Company as and when required to meet the Company's working capital needs.

Further, during the year, the Company has received interest free unsecured long-term loan of Rs. 254 lakhs from its Promoter Managing Director/Director.

1.5 Property, Plant and equipment

On transition to Ind AS, the Company had elected to measure the certain items of property, plant and equipment at its fair value and is using its fair value as its deemed cost. Items measured at fair value are plant and equipment (including CWIP), freehold land and leasehold land. Building, furniture and fixtures, office equipments, computers and vehicles are carried at previous GAAP carrying amount.

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

Depreciation on property, plant and equipment is provided on straight-line method on the basis of estimated useful life of the assets. The expected useful life and the expected residual value are reviewed at the end of each financial year. If the expected useful life and the expected residual value of an asset are significantly different from its previous estimates, depreciation is provided on the revised depreciable amount of the assets over the remaining useful life.

The management estimates the useful lives for the tangible assets as follows:

Property, plant and equipment	Useful life
Leasehold land	: Over the period of lease
Buildings	: 30 - 60 years
Plant and machinery and electrical installations	: 10 - 25 years
Dies, jigs and fixtures	: 15 years

Office equipment	: 5 years
Computer and peripherals	: 3 - 6 years
Furniture and fixtures	: 10 years
Motor vehicles	: 8 years

For the above classes of assets, based on internal assessment and technical evaluation carried out, the management believes that the useful lives as given above best represent the period over which management expects to use these assets.

The residual values are not more 5% of the original cost of the assets.

*Individual assets costing Rs. 5,000/- or less are depreciated in full.

1.6 Capital work in progress

Capital work-in-progress includes assets in the course of construction for production and/or supply of goods or services or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital work in progress.

1.7 Impairment of non-financial assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset / cash generating unit is made. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purpose of assessing impairment, the recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit (CGU). An asset or CGU whose carrying value exceeds its recoverable amount is considered impaired and is written down to its recoverable amount. Assessment is also done at each Balance Sheet date as to whether there

NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

1.8 Leases

Where the Company is a lessee:

The Company's lease asset classes primarily consist of leases for Plant & equipment, land and building. The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contract existing and entered into on or after April 1, 2019. The Company has elected not to recognize Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term. The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. In the comparative period, lease payments under operating leases are recognized as an expense in the statement of profit and loss over the lease term.

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

Where the Company is the Lessor:

Lease under which the Company does not transfer substantially all the risks and benefits of ownership of the asset is classified as operating lease. Lease income from operating lease is recognized in the Statement of

Profit and Loss on a straight-line basis over the lease term except where the lease payments are structured to increase in line with expected general inflation. Costs including depreciation are recognized as an expense in the Statement of Profit and Loss.

1.9 Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis:-

Raw Material, components, stores & spares is recorded at cost on a first-in, first-out (FIFO) basis;

Finished goods and work-in-process are valued at raw material cost plus cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

Scrap are valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption.

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

1.10 Financial Instruments

A. Financial asset

i. Initial recognition and Measurement

All financial assets are recognised initially at fair value (purchase value plus transaction costs that are attributable to the acquisition of the financial asset), amortized cost or at cost. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

ii. Subsequent measurement

➤ Financial assets carried at Amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

model whose objective is to hold the asset in order to collect contractual cash flows 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 principal outstanding.

➤ **Financial assets at Fair value through other comprehensive income (FVOCI):**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model 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 principal outstanding.

➤ **Financial asset at Fair value through profit or loss (FVTPL):**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit and loss.

iii. Impairment of financial assets

The Company assesses impairment of financial assets carried at amortised cost based on expected credit loss model (ECL). The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The Company recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses historical loss experience to determine the impairment loss allowance on trade receivables. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

B. Financial liabilities

i. Initial recognition and Measurement

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognized in profit and loss as finance cost.

ii. Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using effective interest rate method. For trade and other payable maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short term maturity of these instruments.

C. Equity instruments

The Company measures its equity investments other than in subsidiary at fair value through profit and loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity instruments in other comprehensive income (currently no such choice made), there is no subsequent reclassification on sale or otherwise, of fair value gains and losses to the statement of profit and loss.

D. Interest income is recognized using effective interest rate method. Dividends are recognized in the statement of profit and loss only when the right to receive payment is established.

E. Derecognition of financial instruments

The Company derecognizes financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or part of financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

F. Offsetting

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

1.11 Borrowings

Borrowings are initially recognized at net of transaction cost incurred and measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in the statement of profit and loss over the period of borrowings using the effective interest rate.

NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

1.12 Employee Benefits

Employee benefits includes salaries and wages, provident fund, gratuity, compensated absences and other welfare and terminal benefits.

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits includes performance incentives, salaries and wages, bonus and leave travel allowance and other welfare and terminal benefits.

Defined contribution plans:

Contributions to defined contribution scheme like provident fund is recognized as an expense during the year in which the employee renders the related service.

Employee State Insurance

The Company makes contribution towards employee state insurance scheme (ESIS), a defined contribution benefit plan for qualifying employees. The Company's contribution to the ESIS is deposited by the Company under the Employees State Insurance Act, 1948. The contributions deposited with authorities are recognized as expense during the year.

Gratuity

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government securities as at the balance sheet date.

Re-measurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the

period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

1.13 Foreign Currency Transactions and translations

Functional and presentation currency

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

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transactions date. Realised gains and losses on settlement of foreign currency transactions are recognized in the statement of profit and loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and resultant exchange differences are recognized in the statement of profit and loss.

All other foreign exchange gain and losses are presented in the statement of profit and loss on net basis within other income / other expenses.

1.14 Income tax

Current income tax

Current income tax represents the tax currently payable on the taxable income for the year and any adjustment to the tax in respect of the previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

1.15 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Company considers below, if any

Variable consideration includes volume discounts, price concessions, liquidated damages, incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The variable consideration is adjusted as and when the expectation regarding the same changes.

Sale of goods

Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when control of goods is transferred to the customers. Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Sale of services:

In contracts involving the rendering of services, revenue is measured using the proportionate completion method when no significant uncertainty exists regarding the

amount of the consideration that will be derived from rendering the service and are recognised net of service tax/ GST.

Interest Income from a financial asset 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 a time basis, by reference to the principal outstanding and at the effective interest rate applicable and dividend income from investments in shares is recognised when the owner's right to receive the payment is established.

1.16 Government Grants

Grants from the Government are recognised when there is reasonable certainty that the grant will be received and all attaching conditions will be complied with.

Grants relating to property, plant and equipment are included in Non-current liabilities as deferred income and are credited to Profit and loss on fulfillment of associated condition.

1.17 Borrowing Cost

Borrowing costs include interest, other costs incurred in connection with borrowing. General and specific borrowing costs directly attributable to the acquisition, construction, production or development 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 the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

1.18 Provisions and Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is disclosed when there is a possible obligation that arises from events and whose existence is only confirmed by one or more doubtful future events or when there is an obligation that is not recognised as a liability or provision because it is not likely that an outflow of resources will be required

1.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. Operating segments are defined as 'Business Units' of the Company about which separate financial information is available that is evaluated regularly by the chief operating decision-maker, or decision-making group, in deciding how to allocate resources and in assessing performance.

The Company is primarily engaged in the business of "manufacturing of components" for automobiles for Indian market which is governed by the same set of risks and returns. Hence there is only one business and geographical segment. Accordingly, segment information has not been disclosed.

1.20 Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell. An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less cost to sell. A gain is recognised for any subsequent increase in fair value less cost to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of

sale of the non-current asset is recognised at the date of de-recognition. Non-current assets are not depreciated or amortized while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

1.21 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.22 Cash flow statement

Cash flows are reported using the indirect method, where by profit for the period is adjusted for the effect of transaction of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.23 Earnings/(loss) per share

- (i) Basic earnings/ (loss) per share calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.
- (ii) Diluted earnings / (loss) per share adjusts the figures used in the determination of basic earnings per share to take into account:
 - the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
 - the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**
(All figures in ₹ Lakhs, unless otherwise stated)

2 PROPERTY PLANT AND EQUIPMENT

Particulars	Leasehold Land (Right to use)	Freehold Land	Building	Plant & Equipment	Dies, Jigs & Fixture	Furniture & Fixtures	Vehicles	Computer	Office Equipment	Utilities	Total
Gross Block											
Balance as at 31 March, 2022	5,588.70	4,094.87	3,092.52	9,443.36	1,515.08	101.37	274.33	73.12	16.49	170.73	24,370.57
Additions	-	55.14	39.75	154.98	70.53	0.34	2.25	16.89	-	7.41	347.29
Disposals	262.20	923.21	538.25	2,888.96	-	-	6.16	-	-	-	4,618.78
Balance as at 31 March, 2023	5,326.50	3,226.80	2,594.02	6,709.38	1,585.61	101.71	270.42	90.01	16.49	178.14	20,099.08
Additions	-	-	-	63.86	-	-	-	-	-	7.21	71.07
Disposals	909.50	-	97.79	178.95	-	10.61	-	-	-	-	1,196.85
Balance as at 31 March, 2024	4,417.00	3,226.80	2,496.23	6,594.29	1,585.61	91.10	270.42	90.01	16.49	185.35	18,973.30
Accumulated Depreciation											
Balance as at 31 March, 2022	425.82	-	644.00	5,588.10	599.20	73.77	186.31	54.33	11.97	56.98	7,640.48
Charge for the year	70.57	-	119.39	367.66	102.65	4.64	24.48	6.79	0.89	11.82	708.89
Disposal during the year	32.91	-	359.97	2,439.74	-	-	5.48	-	-	-	2,838.10
Balance as at 31 March, 2023	463.48	-	403.42	3,516.02	701.85	78.41	205.31	61.12	12.86	68.80	5,511.27
Charge for the year	65.11	-	119.23	304.11	85.54	4.44	20.90	2.67	0.04	12.60	614.64
Disposal during the year	92.01	-	-	152.76	-	10.11	-	-	-	-	254.88
Balance as at 31 March, 2024	436.58	-	522.65	3,667.37	787.39	72.74	226.21	63.79	12.90	81.40	5,871.03
Net Block											
Balance as at 31 March, 2023	4,863.02	3,226.80	2,190.60	3,193.36	883.76	23.30	65.11	28.89	3.63	109.34	14,587.81
Balance as at 31 March, 2024	3,980.42	3,226.80	1,973.58	2,926.92	798.22	18.36	44.21	26.22	3.59	103.95	13,102.27

Refer note no. 16 & 20 for details of mortgage / hypothecation of Property, plant and equipment towards security.

1. Title deeds of all the immovable properties are held in the name of the company.
2. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988.

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

2 CAPITAL WORK-IN-PROGRESS

Particulars	As at 31-03-2024	As at 31-03-2023
Capital work-in-progress	7.72	9.74
	7.72	9.74

Capital work-in-progress ageing schedule for the year ended March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.00	0.72	-	-	7.72

Capital work-in-progress ageing schedule for the year ended March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	9.74	-	-	-	9.74

Note: There are no projects under capital work in progress where the completion is overdue or has exceeded its cost compared to its original plan in previous year. In current year there are no projects which have exceeded its cost compared to its original plan.

Contractual Obligation

Refer note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3 LOANS

Particulars	As at 31-03-2024	As at 31-03-2023
(Unsecured, considered good unless otherwise stated)		
Loan to employees	0.90	-
Total	0.90	-

4 OTHERS FINANCIAL ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
(Unsecured, considered good unless otherwise stated)		
Security Deposits	70.06	83.50
Advance to employees	-	9.27
Total	70.06	92.77

Security deposits are primarily in relation to public utility services and rental agreements.

5 OTHER NON-CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
(Unsecured, considered good unless otherwise stated)		
Capital Advance	8.95	-
Amount paid under protest (refer note no. 36)	81.56	74.77
Total	90.51	74.77

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

6 INVENTORIES

Particulars	As at 31-03-2024	As at 31-03-2023
<i>(Refer Note No. 1.9 for method of valuation)</i>		
Raw materials	2,365.04	3,063.16
Raw materials in transit	-	9.13
Work-in-progress	453.46	753.65
Finished goods	122.97	224.67
Stores and spares	240.59	514.40
Packing material	15.26	17.26
	3,197.32	4,582.27
Allowance for inventory obsolescence	(305.73)	(390.38)
Total	2,891.59	4,191.89

Inventories have been offered as securities against the working capital facilities provided by the banks. (refer note no. 16 & 20)

The Company has issues related to interest costs on borrowings and has thus decided diversify and focus on other areas of automotive business. The management is initiating Marketing, Development and Manufacturing of electric 3 wheeler (L-5) category and build its own Brand. Since the attention of the management is focused on improving automotive/electric vehicle operations, it has not been possible to complete the critical evaluation of all items of inventory lying unconsumed (either due to ageing or utility) to suit the nature of production. In these circumstances, there is a likely fall in the NRV of individual items requiring provision for impairment, which is unascertained. Pending critical evaluation, during the year, the Company has considered during year ended 31 March 2024 an amount of ₹ 305.73 lakhs as provision for obsolescence which is included under the head "other expenses".

7 TRADE RECEIVABLES

Particulars	As at 31-03-2024	As at 31-03-2023
Trade Receivable considered good - Unsecured	623.39	1,165.70
Trade Receivable - credit impaired - Unsecured	33.72	161.52
	657.11	1,327.22
Less: Allowance for credit losses	(33.72)	(161.52)
Total	623.39	1,165.70

Note:

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables have been offered as securities against the working capital facilities provided by the banks. (refer note no. 16 & 20)

(i) Movement in allowance for credit losses of receivables is as below:

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Balance at the beginning of the year	161.52	180.98
Charge/(release) during the year	8.27	4.45
Utilised during the year	136.07	23.91
Balance at the end of the year	33.72	161.52

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

Trade receivables ageing schedule for the year ended as on 31 March 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	More than 6 months to 12 months	1-2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables considered good	602.39	3.43	7.34	10.23	-	623.39
(ii) Undisputed Trade Receivables credit impaired	-	-	3.00	0.54	30.18	33.72
Total	602.39	3.43	10.34	10.77	30.18	657.11
Less: Impairment allowance for trade receivables- Credit Impaired						(33.72)
Total trade receivable						623.39

Trade receivables ageing schedule for the year ended as on March 31,2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	More than 6 months to 12 months	1-2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables considered good	1,131.22	17.89	3.51	20.34	-	1,172.96
(ii) Undisputed Trade Receivables credit impaired	-	-	-	-	154.26	154.26
Total	1,131.22	17.89	3.51	20.34	154.26	1,327.22
Less: Impairment allowance for trade receivables- Credit Impaired						(161.52)
Total trade receivable						1,165.70

The Company's exposure to 3 customers contributing more than 10% of the outstanding receivables as at March 31, 2024 is ₹ 358.07 lakhs.

8 CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
Bank balance in current accounts		
In Cash credit accounts	0.31	3.04
Multi currency card	4.80	-
Cash on hand	0.17	0.21
Total	5.28	3.25

9 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31-03-2024	As at 31-03-2023
Bank deposit with original maturity more than 3 months less than 12 months*	25.54	38.85
Total	25.54	38.85
* Bank deposits represents deposits marked lien in favour of Bank(s)	25.54	24.23

10 LOANS

Particulars	As at 31-03-2024	As at 31-03-2023
(Unsecured, considered good unless otherwise stated)		
Loans to employees	0.60	-
Total	0.60	-

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

11 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
(Unsecured, considered good unless otherwise stated)		
Interest receivable		
Related Party (Refer note no. 40)	68.59	68.59
Retention Monies		
Considered good	69.86	69.86
Less: Provision for doubtful recoveries	(69.86)	-
	-	69.86
Security Deposits		
Related Party (Refer note no. 40)	200.00	200.00
Advance to employees	-	5.97
Total	268.59	344.42

12 OTHER CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
(Unsecured, considered good unless otherwise stated)		
Advance recoverable in cash or in kind	18.10	8.71
Prepaid expense	45.84	40.69
Unbilled Revenue - Contract Assets	7.45	9.16
Advance to suppliers		
Considered good	78.70	81.64
Considered doubtful	131.63	131.63
Less : Impairment allowance for doubtful advance	(131.63)	(131.63)
	78.70	81.64
Balance recoverable from Government Authorities	-	7.62
Total	150.09	147.82

13 NON CURRENT ASSETS HELD FOR SALE

Particulars	As at 31-03-2024	As at 31-03-2023
Freehold land	-	923.21
Leasehold land	652.40	229.29
Factory and office buildings	97.79	178.28
Plant & machinery	430.59	446.37
	1,180.78	1,777.15

(a) Towards the objective to generate cash flow, improve leverage ratios by reducing working capital facilities of the Company and to improve the financial performance of the Company, the Board of Directors had identified and decided to sell certain property, plant and equipments in the near future. Accordingly, it is considered appropriate to classify the carrying value of ₹ 1,180.78 lakhs as at 31 March 2024 of such identified property, plant and equipments as "non-current assets held for sale".

Out of the above, "non-current assets held for sale" the Company has sold assets having carrying value of ₹ 750.19 lakhs subsequent to the end of the year. Further, against plant and equipment having carrying value of ₹ 110.59 lakhs, an amount of ₹ 181.20 lakhs has been received as advance, which is included under "other current liabilities". For plant and equipment having carrying value of ₹ 320.00 lakhs refer note below.

(b) Plant & machinery held for sale includes ₹ 320 lakhs reclassified from Capital work in progress. The land acquisition by Govt. of West Bengal was declared null and void by Hon'le Supreme Court of India, due to this, the installation and commissioning of the said plant & equipment at Singur project could not be proceeded with. Further, the management was considering various options to utilise such machinery. The Board of Director's in their meeting held on 13 August 2022 decided to sell the said equipment on "as is where is" basis. Considering the Company's intention to sell the equipment in the near future, it is considered appropriate

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

to classify the said plant and equipment as “non-current asset held for sale” at lower of cost or fair value less costs to sell. The Company continues to actively negotiate with prospective buyers at a price which is market driven based on prevailing market conditions. Therefore, it is considered appropriate to continue with the classification of the said asset as “non-current asset held for sale” as at 31 March 2024.(refer note no. 36(c))

- (c) This proposed sale of certain Fixed Asset in the near future will not affect the continuity of business/operations of the Company and would rather improve the financial performance in the near term.

14 EQUITY SHARE CAPITAL

Particulars	As at 31-03-2024	As at 31-03-2023
Authorised		
100,00,000 (31st March 2023 - 100,00,000) Equity Shares of ₹ 10/- each	1,000.00	1,000.00
Issued, subscribed and fully paid		
59,75,000 (31st March 2023 - 59,75,000) Equity Shares of ₹ 10/- each	597.50	597.50
Total	597.50	597.50

(a) Terms/ rights attached to equity shares

- The Company's equity shares have a par value of ₹ 10/- each. The holder of equity shares is entitled to one vote per share.
- The Company declares and pays dividend in Indian Rupees. The dividend is proposed by Board of Directors and is subject to the approval of shareholders in the ensuing annual general meeting.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company, if any remaining after distribution of all preferential accounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

(b) Reconciliation of number of shares outstanding

At the beginning of the year	5,975,000	5,975,000
Issued during the year	-	-
Total	5,975,000	5,975,000

(c) Shares held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31-03-2024		As at 31-03-2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Rajiv Kapoor	1,399,441	23.42%	1,399,441	23.42%
Radhika Securities Pvt Ltd	651,383	10.90%	651,383	10.90%
Ganesha Securities Pvt Ltd	616,732	10.32%	616,732	10.32%

(d) Shareholding of promoters

Promoter Name	As at 31-03-2024		As at 31-03-2023		% of Change
	Number of Shares	% of Holding	Number of Shares	% of Holding	
Rajiv Kapoor	1,399,441	23.42%	1,399,441	23.42%	0%
Deepika Kapoor	54,300	0.91%	54,300	0.91%	0%
Promoter Group					
Krishna Kumari Kapoor	248,000	4.15%	248,000	4.15%	0%
Man Mohan	5,784	0.10%	5,784	0.10%	0%
Radhika Securities Pvt Ltd	651,383	10.90%	651,383	10.90%	0%
Ganesha Securities Pvt Ltd	616,732	10.32%	616,732	10.32%	0%
Kapoor & Budhwar Associates Private Limited	197,200	3.30%	197,200	3.30%	0%

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

15 OTHER EQUITY

Particulars	As at 31-03-2024	As at 31-03-2023
Retained earnings		
Opening Balance	5,413.49	5,731.20
Add: Additions during the year	712.87	(329.74)
Add: Other Comprehensive Income	8.40	12.03
Closing balance	6,134.76	5,413.49

Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders and fair valuation gains of certain class of property, plant and equipment recognised on the date of transition to Ind AS as per exceptions and exemptions available in Ind AS 101 "First-time adoption of Indian Accounting Standards". Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss.

Capital Reserves

Opening Balance	42.54	42.54
Closing balance	42.54	42.54

Capital Reserve - During the FY 2004-05, the Company has reissued 11400 forfeited equity shares of ₹ 10/- each at ₹ 46.60, then prevailing market price. An amount of ₹ 4.74 lakhs received in excess of the face value was credited to capital reserve. Further, during the FY 2007-08, the Company had received 10% of the amount due on warrant i.e. ₹ 37.80 lakhs along with the application for the warrants as on the date of allotment i.e. 26.11.2005. However the balance 90% amount of the exercise amount was not received within the said 18 months i.e. by 25.05.2007. The warrants have since been cancelled and the 10% amount i.e. ₹ 37.80 lakhs received at the time of application was forfeited and credited to Capital Reserve.

General Reserve

Opening Balance	724.74	724.74
Closing balance	724.74	724.74

The Company had transferred a portion of the net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013. 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 be reclassified subsequently to statement of profit or loss.

Deemed Equity

Opening Balance	51.04	-
Add: Additions during the year	49.67	68.20
Tax impact on above	(12.50)	(17.16)
Closing balance	88.21	51.04

During the year, the Company has received interest free unsecured long-term loan of ₹ 254 lakhs (31 March 2023: ₹ 170 lakhs) from its Promoter Managing Director. As the loan is interest free, it is accounted in accordance with the recognition and measurement principles of Ind AS 109, Financial Instruments. Accordingly, the difference between initial fair value of loan determined in accordance with the governing Ind AS and the proceeds of loan received of ₹ 37.17 lakhs (net of deferred tax) (31 March 2023: ₹ 51.04 lakhs) has been recognised during the year as deemed equity under the head "Other equity".

Securities Premium Reserve

Opening Balance	2,481.74	2,481.74
Closing balance	2,481.74	2,481.74

Amount received in excess of face value of the equity shares is recognized in Securities Premium. In case of equity-settled share based payment transactions difference between fair value on grant date and nominal value of share is accounted as Securities Premium. It will be used as per the provision of Companies Act, 2013.

Total Other equity	9,471.99	8,713.55
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NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

16 NON CURRENT BORROWINGS

Particulars	As at 31-03-2024	As at 31-03-2023
Secured		
Rupee Term loans from Banks		
Punjab National Bank (PNB)	1,069.93	1,788.16
Indian Bank	275.90	278.09
Unsecured		
From related parties	322.20	101.80
	1,668.03	2,168.05
Less : Current maturities of long term borrowings at the year end (refer note no 20)	(616.89)	(718.09)
Total	1,051.14	1,449.96

Punjab National Bank - (One time restructured under COVID 19) - Outstanding as at 31.03.2024 of ₹ 178.92 Lakhs. Repayment schedule is as per table below and carries interest rate of MCLR plus 6% i.e. 14.40% p.a on the reporting date.

	Term Loan
Due on 30.06.2024	68.75
Due on 30.09.2024	110.17

Punjab National Bank - Guaranteed Emergency Credit Line - Outstanding as on 31 March 2024 ₹ 891.01 lakhs, repayable in 48 monthly instalment ₹ 30.73 lakhs after 12 months of moratorium ended on August, 2022 and carries interest rate of MCLR plus 1% i.e. 9.25% p.a. on reporting date subject to maximum of 9.25% p.a.

Loans from Punjab National Bank are secured by first exclusive charge on entire fixed assets of the Company, except the property mortgaged with Indian Bank and personal guarantee of Mr. Rajiv Kapoor and Mrs Deepika Kapoor. Additionally pledge of 8095 shares of the Company by Mr. Rajiv Kapoor.

Indian Bank - Guaranteed Emergency Credit Line - ₹ 275.90 Lakhs loan is repayable in 48 monthly instalment of ₹ 5.80 lakhs after 24 months moratorium ending on April, 2024 and carries interest rate of MCLR plus 1% i.e. 9.25% p.a. on the reporting date. Secured by hypothecation of stock and book debt and second charge on industrial land standing in the name of Company at Kanwarsika, District- Nuh, Haryana.

Unsecured, interest free loan from a Promoter Director and Director of ₹ 322.20 lakhs (net of adjustment as per Ind AS 109 of ₹ 101.80 lakhs), {31 March 2023: ₹ 101.80 lakhs (net of adjustment as per Ind AS 109 of ₹ 68.20 lakhs)}.

All charges are registered with Registrar of Companies (ROC) within statutory period by the Company.

Term Loan were applied for the purpose for which the loans were obtained.

Maturity profile of borrowings including current maturities is as below:

Not later than one year or on demand	616.89	718.09
Later than one year but not two years	672.45	616.89
Later than two years but not three years	410.90	438.45
Later than three years but not four years	69.59	393.23
Later than four years but not five years	-	69.59

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

17 NON CURRENT PROVISIONS

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for employee benefits		
Gratuity (refer note no. 39)	42.52	51.23
Total	42.52	51.23

18 DEFERRED TAX LIABILITIES (NET)

Deferred Tax Liability :	As on 01-04-2023	Income statement	OCI	SOCIE	As on 31-03-2024
Deemed Equity	17.16	(4.04)	-	12.50	25.62
Property Plant & Equipment	3,145.34	(330.58)	-	-	2,814.76
Deferred Tax Liability (A)	3,162.50	(334.62)	-	12.50	2,840.38
Deferred Tax Assets					
Trade Receivable, advances & inventories	138.90	(2.76)	-	-	136.14
Carry forward losses	697.31	(69.10)	-	-	628.21
Provision for Employee Benefit	12.59	2.88	(2.83)	-	12.64
Provision for contingencies and claims	134.58	(57.82)	-	-	76.76
Deferred Grant income	135.62	(135.62)	-	-	-
Deferred Rent	23.97	(23.97)	-	-	-
Deferred Tax Assets (B)	1,142.97	(286.39)	(2.83)	-	853.75
Deferred Tax Liabilities (net) (A-B)	2,019.53	(48.23)	2.83	12.50	1,986.63

Deferred Tax Liability :	As on 01-04-2022	Income statement	OCI	SOCIE	As on 31-03-2023
Deemed Equity	-	-	-	17.16	17.16
Property Plant & Equipment	3,074.46	70.88	-	-	3,145.34
Deferred Tax Liability (A)	3,074.46	70.88	-	17.16	3,162.50
Deferred Tax Assets					
Trade Receivable, advances & inventories	143.80	(4.90)	-	-	138.90
Carry forward losses	609.55	87.76	-	-	697.31
Provision for Employee Benefit	21.14	(4.50)	(4.05)	-	12.59
Provision for contingencies and claims	-	134.58	-	-	134.58
Deferred Grant income	135.62	-	-	-	135.62
Deferred Rent	23.97	-	-	-	23.97
Deferred Tax Assets (B)	934.08	212.94	(4.05)	-	1,142.97
Deferred Tax Liabilities (net) (A-B)	2,140.38	(142.06)	4.05	17.16	2,019.53

19 OTHER NON CURRENT LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred rent	-	95.25
Total	-	95.25

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

20 BORROWINGS

Particulars	As at 31-03-2024	As at 31-03-2023
(Repayable on demand)		
Secured		
From Banks	2,376.32	5,466.91
Working capital loans		
Current maturities of long term borrowings (refer note no. 16)	616.89	718.09
Total	2,993.21	6,185.00

Working capital loan (cash credit facility) from Bank is secured by first charge on hypothecation of stocks of raw materials, stock in process, finished goods, stores & spares and receivables. The same are also collaterally secured by first charge on the fixed assets including immovable property of the Company situated at Sohna (Haryana), Pune (Maharashtra) and Gautam Budh Nagar (Uttar Pradesh) except the immovable property (industrial land only) charged to another bank for overdraft limit against property. Further the loan has been guaranteed by personal guarantee of two promoter directors of the Company.

Loan against property taken from bank is secured by first charge(equitable mortgage) of industrial land located at Revenue Estate, Village Kanwarsikka, District-Nuh, Haryana. Further the loan has been guaranteed by personal guarantee of one promoter director of the Company.

Against the working capital limits by the Banks, quarterly statements filed by the Company are not in agreement with books of accounts, the difference is mainly due to amount provided for in the books of account for diminution in value of inventories not considered and correct ascertainment of trade payables. In respect of certain trade receivables, the corresponding advance received have not been considered.

21 TRADE PAYABLES

Particulars	As at 31-03-2024	As at 31-03-2023
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,200.56	1,641.90
Total	1,200.56	1,641.90

Note
The Company has not received any information from suppliers or service providers, whether they are covered under the "Micro, Small and Medium Enterprises (Development) Act, 2006. Hence disclosure relating to amount unpaid at the year-end together with interest payable, if any, as required under the said Act are not ascertainable.

Trade Payables aging schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of creditors other than micro enterprises and small enterprises	900.67	170.48	41.77	87.64	1,200.56
Total	900.67	170.48	41.77	87.64	1,200.56

Trade Payables aging schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding dues of creditors other than micro enterprises and small enterprises	1,405.52	131.01	25.75	40.66	1,602.93
Total	1,405.52	131.01	25.75	40.66	1,602.93

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

22 OTHERS - FINANCIAL LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Interest accrued and due on borrowings	2.17	10.37
Interest on Goods and Services Tax	24.27	81.72
Retention monies	33.17	23.52
Payable for capital goods	2.46	2.70
Employee benefits payable	101.35	94.67
Expenses payable	50.66	87.08
Total	214.08	300.06

23 CURRENT PROVISIONS

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for employee benefits		
Gratuity (refer note no. 39)	7.70	14.91
Provision for Custom Duty {(including interest) (refer note no. 36)}	304.98	725.81
Total	312.68	740.72

24 OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2024	As at 31-03-2023
Statutory dues payable	32.45	139.74
Advance from customers	295.72	231.57
Advance from Others		
Against sale of property, plant and equipment (refer note no. 13)	206.20	258.90
Total	534.37	630.21

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

25 REVENUE FROM OPERATIONS

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Sale of products #		
Domestic Sales - Sheet Metal	7,215.48	13,438.72
Domestic Sales - Tools & Dies	120.63	360.12
Domestic Sales - Auto	636.75	203.17
Export Sales - Sheet Metal	-	-
	7,972.86	14,002.01
Sale of services:		
Job Work - Sheet Metal	36.95	-
Job Work - Tools & Dies	123.06	112.76
	160.01	112.76
Other operating revenues:		
Scrap Sales	492.42	887.09
	492.42	887.09
Grand Total	8,625.29	15,001.86
Revenue based on type of goods and services		
Sheet Metal	7,215.48	13,438.72
Tools and Dies	120.63	360.12
Auto	636.75	203.17
Job Work	160.01	112.76
Others	492.42	887.09
Total	8,625.29	15,001.86
Reconciliation of Revenue from operations with contract price:		
Contract Price	8,649.67	15,166.32
Add:-		
Supplementary invoice due to escalation	191.55	202.57
Unbilled Revenue	7.45	5.98
Less:-		
Sales Returns	52.33	88.16
Late Delivery Charges	-	0.32
Supplementary Invoice due to De-escalation	171.05	284.53
Total Revenue from Operation	8,625.29	15,001.86

(a) Performance obligations

There is no remaining performance obligation for any contract for which revenue has been recognised till year end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or more or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the Company's performance completed to date.

(b) Transaction Price

The Company satisfies its performance obligations pertaining to the sale of auto components at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The contract is a fixed price contract and do not contain any financing component. The payment is generally due within 30-90 days. There are no other significant obligations attached in the contract with customer.

(c) Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

(d) Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the only performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price except for refund due to shortages which is adjusted with revenue.

(e) Cost to obtain contract or fulfil a contract

There is no cost incurred for obtaining or fulfilling a contract and there is no closing assets recognised from the costs incurred to obtain or fulfil a contract with a customer.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

26 OTHER INCOME

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Interest on bank deposits	2.25	0.75
Interest from others	3.27	4.09
Profit on sale of property, plant & equipment #	2,828.94	585.13
Duty Drawback / Export Incentive	-	0.21
Foreign Exchange Fluctuation	0.40	13.58
Liabilities/Provisions no longer required written back	96.24	23.80
Miscellaneous income	2.11	10.15
Total	2,933.21	637.71

During the year, Company has sold Non Current Assets held for sale for ₹ 4,367.28 lakhs (31 March 2023: ₹ 908.67 lakhs). Profit on sale of Non Current Assets held for sale amounting to ₹ 2,828.94 lakhs (31 March 2023: ₹ 585.13 lakhs).

27 COST OF MATERIAL CONSUMED

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Raw Material Consumed		
Sheet Metals		
Opening stock	3,040.59	3,435.04
Add: Purchases	5,638.48	9,922.86
Less: Closing stock	(2,355.15)	(3,040.59)
Less: Allowance for inventory obsolescence	(194.93)	-
Sub Total	6,128.99	10,317.31
Others		
Opening stock	21.78	14.83
Add: Purchases	36.02	40.87
Less: Closing stock	(9.26)	(21.78)
Sub Total	48.54	33.92
Total	6,177.53	10,351.23

28 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS:

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Opening stock of Working Progress	753.65	995.98
Opening stock of Finished Goods	224.67	341.01
Less :		
Closing stock of Working Progress	(453.46)	(753.65)
Closing stock of Finished Goods	(122.97)	(224.67)
Less: Allowance for inventory obsolescence	(44.47)	
Total	357.42	358.67

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

29 MANUFACTURING AND OPERATING EXPENSES

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Power & fuel	387.82	681.64
Stores & spares consumed (Net of allowance for inventory obsolescence ₹ 150.98 lakhs)	92.48	185.00
Packing & forwarding expenses	124.10	175.74
Job Work Charges	20.78	31.52
Repairs to :		
Plant & machinery	58.43	80.32
Building	22.95	117.80
Others	49.79	39.29
Warranty claims, line rejections etc.	0.45	0.36
Total	756.80	1,311.67

30 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended 31-03-202	Year ended 31-03-2023
Salaries and wages, bonus, gratuity and allowances	512.86	686.52
Payment to contractors - wages	432.99	558.40
Contribution to provident and other funds	22.85	32.32
Director's remuneration	45.00	45.00
Staff welfare expenses	20.31	15.65
Total	1,034.01	1,337.89

31 FINANCE COSTS

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Interest - Term Loans	175.71	299.48
Interest - Working Capital	685.41	706.04
Interest - Others	31.05	34.68
Unwinding cost	16.07	-
Other borrowing costs	35.62	27.65
Total	943.86	1,067.85

32 DEPRECIATION AND AMORTISATION EXPENSE

See Accounting Policy 1.5

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Depreciation of property, plant & equipment (refer note no. 2)	614.64	708.88
Total	614.64	708.88

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

33 OTHER EXPENSES

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Rent	67.93	62.55
Rates and taxes	31.42	12.15
Insurance	22.53	27.78
Transportation and forwarding charges	156.04	181.71
Traveling & conveyance	62.45	78.31
Legal, professional and consultancy charges	95.28	117.01
Provision for impairment on receivables	69.86	-
Provision for diminution in Stocks	305.73	-
Allowance for credit losses	8.27	4.45
Bad debts/recoverables written off (net of provision for doubtful allowances ₹ 136.07 lakhs)	18.68	10.57
Payment to auditors:		
Statutory audit fees	13.00	13.00
Tax audit fees	3.00	3.00
Certification Fees	2.00	2.00
Other services	4.40	4.40
Cash discount	25.83	47.37
Watch & Ward	115.99	136.05
Miscellaneous expenses	70.11	83.74
Total	1,072.52	784.09

34 TAX EXPENSE*See Accounting Policy 1.14*

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Deferred Tax	(48.23)	(142.06)
Total Income tax expense	(48.23)	(142.06)
Reconciliation of effective tax rate on profit before Income tax		
Enacted Income tax rate	0.25	0.25
Profit before tax	664.64	(471.80)
Current tax as per enacted tax rate	167.29	(118.75)
Deferred tax on income tax losses not recognised earlier	(81.95)	-
Indexation benefit on capital gain	(101.38)	-
Other adjustments	(32.19)	(23.31)
	(48.23)	(142.06)

35 EARNING PER SHARE

Particulars	Year ended 31-03-2024	Year ended 31-03-2023
Computation of basic / diluted earning/ (loss) per share is as set out below:		
Net Profit / (Loss) after current and deferred tax	712.87	(329.74)
No of Shares outstanding at the beginning of the year	5,975,000	5,975,000
No of Shares outstanding at the end of the year	5,975,000	5,975,000
Weighted average number of equity shares of ₹ 10/- each	5,975,000	5,975,000
EPS (₹) - Basic and Diluted	11.93	(5.52)

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

36 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

Particulars	As at 31-03-2024	As at 31-03-2023
Claims against the Company, not acknowledged as debts (refer note (a) below)	NIL	NIL
Disputed demand against central sales tax for FY 2014-15 to 2016-17 against C Form	41.45	139.17
Goods and services tax for the FY 2017-18 (refer note (b) below)	22.81	22.81
Income tax demand paid under protest for AY 2007-08	72.49	72.49
Possible interest liability, if the export obligations are not met under EPCG licence* (refer note (c) below)	685.39	594.77

- (a) Future cash outflows are determinable only on receipt of judgements / decisions pending at various forums / authorities. Furthermore, there are no possibilities of any reimbursements to be made to the company by any third party.
- (b) Department of Goods and Services Tax, Govt. of Maharashtra has raised demand of ₹ 22.81 lakhs against excess ITC claimed in GSTR 3B and interest/penalty thereon. The Company has filed appeal against the impugned order to appellate authority and made pre-deposit of ₹ 2.53 lakhs for filing appeal.
- (c) (i) The Company had imported certain plant & equipment including the machinery referred in foot note to note no. 2 under EPCG license scheme. The Company was not able to meet the export obligations during the stipulated period. The Custom Duty of ₹ 261.44 lakhs and ₹ 337.46 lakhs was payable under these EPCG licenses respectively. The total custom duty of ₹ 598.90 lakhs has been provided in earlier years.
- (ii) Ministry of Commerce & Industry, Govt. of India vide public notice 2/2023 dated 01/04/2023 came out with an Amnesty scheme for one time settlement of default in export obligation by Advance and EPCG authorisation holders. The Scheme read with subsequent clarificatory notice no. 7/2023 dated 18/04/2023, required payment of the saved custom duty with interest being capped at maximum 100% of basic custom duty on or before 31st March, 2024. The management had filed application under the Amnesty Scheme as mentioned above. During the year ended 31 March 2024, the Company has deposited an amount of ₹ 349.61 lakhs custom duty including interest of ₹ 88.16 lakhs against one of the EPCG license under the amnesty scheme. The Company has considered appropriate to continue with the appeal filed before Hon'ble Customs, Excise and Service Tax Appellate Tribunal (CESTAT) against the order of Assistant Commissioner of Customs (Ports) in respect of certain plant & machinery referred to in note no. 13 imported under EPCG license scheme, for making payment of Custom Duty of ₹ 304.98 lakhs (net of pre-deposit of ₹ 32.48 lakhs) without any interest, redemption fine and penalty based on legal advice and other favourable judgement in a similar case. The potential interest liability, redemption fine and penalty, if the CESTAT decision is adverse to the Company, is estimated at Rs. 685.39 lakhs. The same has not been provided for in the books and continues to be disclosed as a contingent liability.

37 CAPITAL COMMITMENTS

Particulars	As at 31-03-2024	As at 31-03-2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	20.20	NIL

38 EXCEPTIONAL ITEM

The Company had made a provision of ₹ 191.08 lakhs on account of interest payable under the amnesty scheme [refer note 36 (c)] during the year ended 31 March 2023 and debited the statement of profit and loss as an exceptional expense. Further, during the year, interest liability on EPCG license against which the Company has preferred to continue with the appeal was reversed as an exceptional item ₹ 62.92 lakhs.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

39 EMPLOYEE BENEFIT EXPENSE (IND AS 19)

See Accounting Policy 1.12

Particulars	As at 31-03-2024	As at 31-03-2023
Defined Contribution Plan:		
The Company has recognized the following amount in the statement of profit and loss for the year		
Contribution to Provident Fund	20.30	29.25
Contribution to Employees' State Insurance	1.94	2.76
Contribution to Labour Welfare fund	0.36	0.25
Gratuity (Unfunded)		
The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary and dearness allowance per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.		
Principal assumptions used in determining defined benefit obligation		
Mortality Table (LIC)	2012-14 (Ultimate)	2012-14 (Ultimate)
Discount rate (per annum)	7.09%	7.30%
Salary Escalation	5.50%	5.50%
Attrition Rate	5.00%	5.00%
Change in present value of Defined Benefit obligations		
Present value of obligations at the beginning of the year	66.14	84.01
- Interest cost	4.83	5.98
- Current service cost	4.46	6.19
Actual Plan Participant contribution		
- Benefits paid	(13.98)	(13.96)
- Past Service Cost	-	-
- losses/(Gains) on curtailment / settlement	-	-
- Actuarial (gain) / loss on obligations	(11.23)	(16.08)
Present value of obligations at the end of the year	50.22	66.14
Current portion	7.70	14.91
Non-current portion	42.52	51.23
Net Defined Benefit cost/(Income) recognized in Statement of Profit and Loss		
Current service cost	4.46	6.19
Interest cost	4.83	5.98
Total Defined benefit cost/(Income) included in profit /loss	9.29	12.17
Analysis of amount recognised in other comprehensive income / loss at year end		
Amount recognised in OCI, (gain)/loss beginning of Period	(180.17)	(164.10)
Remeasurement Due to:	-	
Effect of change in financial assumption	0.66	(0.74)
Effect of Experience Adjustment	(11.89)	(15.33)
Total Remeasurement recognised in OCI(Gain) / Loss	(11.23)	(16.07)
Amount Recognised in other comprehensive income/loss at year end	(191.40)	(180.17)

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31-03-2024	As at 31-03-2023
Total Defined benefit cost/(Income) included in profit /loss and Other Comprehensive Income		
Amount Recognised in profit /loss	9.29	12.17
Amount Recognised in OCI	(11.23)	(16.08)
Total Net defined benefit cost/(Income) included in profit /loss	(1.94)	(3.91)
Reconciliation of Balance Sheet Amount		
Balance sheet (Asset) / Liability , beginning of period	66.15	84.01
Total Charge / (Credit) recognised in profit / loss	9.29	12.17
Total Reimbursement recognised in OCI (Income) / loss	(11.23)	(16.08)
Benefit Paid	(13.98)	(13.96)
Balance sheet (Asset) / Liability , End of period	50.23	66.15
Current / Non Current Bifurcation		
Current liability	7.70	14.91
Non current liability	42.52	51.23
Net Liability	50.23	66.15
Defined benefit obligation by participant status		
Active	50.23	66.15
Total Defined Benefit Obligation	50.23	66.15
Sensitivity Analysis		
Defined Benefit Obligation - Discount Rate + 100 basis points	(2.99)	(3.85)
Defined Benefit Obligation - Discount Rate - 100 basis points	3.37	4.34
Defined Benefit Obligation - Salary Escalation rate + 100 basis points	3.39	4.38
Defined Benefit Obligation - Salary Escalation rate -100 basis points	(3.06)	(3.95)
The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.		
Expected cashflows for next ten years		
Within 1 year	8.24	15.46
Between 1 - 2 years	9.32	6.33
Between 2 - 3 years	8.61	10.79
Between 3 - 4 years	6.34	10.28
Between 4 - 5 years	9.64	6.91
Between 6 - 10 years	47.80	65.29

Risk exposure

Through its defined benefit obligations, the company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk: The defined benefit obligation is calculated using a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

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

Demographic risk: For example, as the plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

40 RELATED PARTY DISCLOSURES AS PER IND AS 24

Particulars	As at 31-03-2024	As at 31-03-2023
Key Managerial Persons (KMP)		
Mr. Rajiv Kapoor (Chairman and Managing Director)		
Remuneration paid	45.00	45.00
Meeting fee paid	-	0.56
Loan taken during the year	180.00	170.00
Amount payable at the year end	(374.51)	170.45
Mrs. Deepika Kapoor (Director)		
Meeting fee paid	2.22	2.22
Loan taken during the year	74.00	-
Amount payable at the year end	75.00	-
Mr. Gautam Bhattacharya (Chief Financial Officer)		
Remuneration paid	-	37.88
Amount payable at the year end	14.43	9.01
Non Executive Directors		
Meeting fee paid		
Dr. Shyam S. Sethi	2.22	2.22
Mr. Mysore Siddappa Ramaprasad	1.11	1.67
Mr. Agharam Ramakrishnan Halasyam	2.22	2.22
Mr. Abhay Kumar Khanna	2.22	2.22
Relative of KMP		
Mrs. Radhicka Kapoor		
Remuneration paid	22.50	30.00
Amount payable at the year end	3.80	3.80
(Enterprise over which KMP has significant influence)		
Ganesha Securities Private Limited		
Amount receivable at the year end	31.18	31.18
Radhika Securities Private Limited		
Amount receivable at the year end	37.41	37.41
Ganesha Agri Farms Private Limited		
Rent paid	48.00	44.00
Security Deposit Given	-	130.00
Amount receivable at the year end (security deposit)	200.00	200.00
Amount payable at the year end	22.70	-

Disclosure as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 (as amended) in respect of transactions with entities viz. Ganesha Securities Private Limited and Radhika Securities Private Limited belonging to the promoters/promoter group which holds 10% or more shareholding in the Company are given above.

As post employment obligations and other long-term employee benefits obligations are computed for all employees in aggregate, the amounts relating to key management personnel cannot be individually computed and hence are not included in the above.

NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

41 OPERATING SEGMENT AS PER IND AS 108

The managing director of the company has been identified as the chief operating decision maker (CODM) as defined by Ind AS.108 - Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. Accordingly, segment information has been presented. In the opinion of the management, there is only one segment - "Auto Components" which includes products of similar nature, risks and returns. There are no separate reportable segments (business and/ or geographical)

Major customer

Revenue from three customers of the Company is ₹ 5,805.56 lakhs (previous year two customers ₹ 9,729.86 lakhs), which is more than 10% of the Company's total revenue.

42 FAIR VALUE MEASUREMENTS

(i) Financial Instruments by category

Particulars	31st March 2024		31st March 2023	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Financial Assets				
Trade Receivables	-	623.39	-	1,165.70
Cash and Cash Equivalents	-	5.28	-	3.25
Bank balances other than above	-	25.54	-	38.85
Other Financial Assets	-	340.15	-	437.19
Total Financial Assets	-	994.36	-	1,644.99
Financial Liabilities				
Long term Borrowings	-	1,668.03	-	2,168.05
Short term Borrowings	-	2,376.32	-	5,466.91
Trade Payables	-	1,200.56	-	1,641.90
Other Financial Liabilities	-	214.08	-	300.06
Total Financial Liabilities	-	5,458.99	-	9,576.92

Note : There is no item fair valued through OCI

- (ii) The management assessed that the fair values of cash and cash equivalents, other bank balances, trade receivables, loans, other current financial assets, trade payables, short term borrowings, and other financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.
- (iii) Fair value of non current other financial assets (fixed deposits) approximates their carrying amount due to no change in redemption value.
- (iv) For Financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.
- (v) The fair value of the financial assets and financial liabilities is included at the amount at which the instruments could be exchanged in a current market conditions between willing parties, other than in a forced or liquidation sale.
- (vi) The following methods and assumptions were used to estimate the fair values:
 - a) The fair values for loans were calculated based on cash flows discounted using current lending rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risks, which has been assessed to be insignificant.
 - b) The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.
 - c) During the year ended March 31, 2024 and March 31, 2023 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

(vii) Fair Value Hierarchy

Explanation to the fair value hierarchy

The Company measures financial instruments, such as, quoted investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, tax free bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using their NAV at the reporting date.

Level 2

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration included in level 3.

43 FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the board of directors. The risk management framework aims to:

- Create a stable business planning environment by reducing the impact of currency fluctuations on the Company's business plan.
- Achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

a) Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness. For the Company, credit risk arises from cash and cash equivalents, other balances and deposits with bank and financial institutions and trade receivables.

Credit risk management

For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty - significant increase in credit risk on other financial instruments of the same counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications as at March 31, 2024, that defaults in payment obligations will occur.

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost or fair value through other comprehensive income other than trade receivables.

Particulars	As at 31-03-2024	As at 31-03-2023
Balance at the beginning of the year	161.52	180.98
Movement in expected credit loss allowance on trade receivables	(127.80)	(19.46)
Balance at the end of the year	33.72	161.52

b) Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

The following are the remaining contractual maturities of financial liabilities as at 31st March 2024

Particulars	On Demand	Less than 1 year	1 year to 3 year	More then 3 years	Total
Trade payables	-	1,200.56	-	-	1,200.56
Long Term borrowings	-	616.89	1,152.94	-	1,769.83
Short Term borrowings payable on demands	2,376.32	-	-	-	2,376.32
Other financial liabilities	-	214.08	-	-	214.08
Total	2,376.32	2,031.53	1,152.94	-	5,560.79

The following are the remaining contractual maturities of financial liabilities as at 31st March 2023

Particulars	On Demand	Less than 1 year	1 year to 3 year	More then 3 years	Total
Trade payables	-	1,641.90	-	-	1,641.90
Long Term borrowings	-	718.09	1,380.37	137.79	2,236.25
Short Term borrowings payable on demands	5,466.91	-	-	-	5,466.91
Other financial liabilities	-	300.06	-	-	300.06
Total	5,466.91	2,660.05	1,380.37	137.79	9,645.12

The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three type of risks: Foreign Exchange Risk, Interest Rate Risk and Other Price Risk.

i) Foreign Exchange Risk

Foreign Exchange Risk is the exposure of the Company to the potential impact of movements in foreign exchange rates. Company's exports are exposed to foreign currency risks.

The Company has no exposure to foreign currency risk at the end of the reporting period.

ii) Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation, on long and Short term borrowings.

The crucial aspect of the management of interest rate risk is to protect the value of borrowings as much as possible from the adverse impact of the interest rate movements. The focus of the borrowing strategy revolves around the overwhelming need to keep the interest risk of borrowing reasonably low with a view to minimize losses arising out of the adverse interest rate movements.

Exposure to interest rate risk

Particulars	As at 31-03-2024	As at 31-03-2023
Variable Rate borrowings		
Long term borrowings from bank and other party	1,345.83	2,066.25
Working capital loan payable on demand	2,376.32	5,466.91
	3,722.15	7,533.16

Sensitivity Analysis

Profit or loss is sensitive to higher/ lower interest expense from borrowings as a result of changes in interest rates. This analysis assumes that all other variables, in particular exchange rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	31st March 2024			Sensitivity Analysis	31st March 2023		
	Sensitivity Analysis	Impact On			Sensitivity Analysis	Impact On	
		Profit before Tax	Other Equity			Profit before Tax	Other Equity
Interest Rate Sensitivity (Increase)	1.00%	(37.22)	(27.85)	1.00%	(75.33)	(56.37)	
Interest Rate Sensitivity (Decrease)	1.00%	37.22	27.85	1.00%	75.33	56.37	

iii) Other Price Risk

There is no other price risk on financial instrument outstanding as on 31st March 2022 and hence sensitivity analysis with respect to movement in other price risk has not been given.

44 CAPITAL MANAGEMENT**Risk management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Company monitors capital on the basis of the following ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total equity (as shown in the balance sheet)

The gearing ratios were as follows:

Particulars	As at 31-03-2024	As at 31-03-2023
Debt	4,044.35	7,634.96
Less: Cash and bank balances	5.28	3.25
Net Debt	4,039.07	7,631.71
Total Equity	10,069.49	9,311.05
Net debt to equity ratio	0.40	0.82

Note- Debt is defined as long term and short term borrowing including current maturities of long term debt.

NOTES TO FINANCIAL STATEMENTS AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(All figures in ₹ Lakhs, unless otherwise stated)

45 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE:

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Companies Corporate Social Responsibility Rules, 2014. Therefore it is not required to incur any expenditure on account of CSR activities during the year.

46 LEASES (IND AS 116)

As Lessee

The Company has taken certain offices and residential premises/facilities under operating lease/sub-lease agreements for short period. The aggregate lease rental of ₹ 61.40 lakhs (previous year ₹ 55.02 lakhs) has been charged to the Statement of Profit and Loss.

47 ADDITIONAL DISCLOSURES / REGULATORY INFORMATION AS REQUIRED BY NOTIFICATION NO. GSR 207(E) DATED 24.03.2021 (TO THE EXTENT APPLICABLE):

Compliance with number of layers of companies:

No layers of companies has been established beyond the limits prescribed under clause 87 of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

48 RELATIONSHIP WITH STRUCK OFF COMPANIES:

No transaction has been made with the company striking off under section 248 of The Companies Act, 2013 or section 560 of Companies Act, 1956. During the year ended 31.03.2024 and year ended 31.03.2023.

49 UNDISCLOSED INCOME:

Details of transactions not recorded in the books of account that has been surrendered/ disclosed as income during the year in the tax assessments ₹ Nil (Previous year ₹ Nil)

50 No scheme of arrangements have been approved by the Competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

51 The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2024 and 31 March 2023.

52 (a) The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTES TO FINANCIAL STATEMENTS
AS ON AND FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)**

(All figures in ₹ Lakhs, unless otherwise stated)

53 FINANCIAL RATIOS

Performance Ratios	As at 31-03-2024	As at 31-03-2023	Variance	Reasons for variance
Current Ratio = Current Assets / Current Liabilities	0.96	0.80	(20.44%)	
Debt Equity Ratio = Total Borrowings / Equity	0.40	0.82	51.02%	During the year, Company has repaid substantial amount of loan.
Debt Service Coverage ratio = Profit before interest, tax and , Depreciation and amortisation / Interest Expense + Principal Repayments made during the year for long term loans	1.34	0.51	(162.97%)	During the year, Company has repaid substantial amount of loan and also has earned profit from sale of property, plant and equipment.
Return on Equity Ratio = Profit after tax / Closing shareholder's equity	7.08%	(3.54%)	300.00%	Increase in profit on account of gain on sale of property, plant and equipment.
Inventory turnover ratio = Cost of goods sold / Closing inventory	2.22	2.64	16.00%	
Trade Receivables turnover ratio = Revenue from operations / Closing current trade receivables	13.84	12.87	(8.00%)	
Trade Payables turnover ratio = Cost of goods sold / Closing trade payable	5.44	6.52	17.00%	
Net Capital turnover ratio = Revenue from operations / Closing working capital	(6.29)	(4.07)	(55.00%)	Due to decrease in turnover during the year.
Net Profit ratio = Profit after Tax / Revenue from operations	8.26%	(2.20%)	476.00%	Increase in profit on account of gain on sale of property, plant and equipment.
Return on Capital employed = Profit before interest and tax / Closing capital employed	12.23%	4.61%	(165.00%)	Increase in profit on account of gain on sale of property, plant and equipment.
Return on Investment= Interest from Fixed Deposit/ Average Fixed Deposit	7.00%	6.28%	(11.00%)	

54 Trade receivables and recoverable shown under assets and trade and other payables shown under liabilities includes balance which is subject to confirmation / reconciliation. However reconciliations are carried out on ongoing basis. The management does not expect any material adjustment in the books of accounts as a result of reconciliation.

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

As per our attached report of even date.

For **V. Sankar Aiyar & Co.**

Chartered Accountants

ICAI Firm Registration No.109208W

Karthik Srinivasan

Partner

Membership No. 514998

For and on behalf of the Board of Directors

Rajiv Kapoor

Chairman & Managing Director

DIN : 00054659

Gautam Bhattacharya

Chief Financial Officer

Pradeep Chandra Nayak

Company Secretary

ACS 15852

Dr. Shyam S. Sethi

Director

DIN : 01394311

Abhay Kumar Khanna

Director

DIN : 06919161

Place : New Delhi

Dated : 29th May, 2024



RASANDIK

Registered Office

Rasandik Engineering Industries India Limited

Plot No. 1, Roz-Ka-Meo Industrial Area,

Distt.-Nuh, Haryana-122103