MFL India Limited

CIN: L63040DL1981PLC012730
Contact No +91-11-32076767
E-Mail: helpdesk@mflindia.in
website: www.mflindia.co.in

MFL/BSE/BM/2024-25 **Dated: 30, May, 2024**

To,
The Corporate Relationship Department,
The Bombay Stock Exchange Limited (BSE Ltd.),
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai–400 001

Scrip Code: 526622

Kind Attn: Corporate Relationship Department

Dear Sir,

Subject: Submission of Financials Results

Pursuant to applicable Regulation of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Regulation 30, this is to inform you that the Board of Directors of the Company at their meeting held today i.e., Thursday, May 30, 2024, at the registered office, inter-alia, have consider and approve the Audited Financial Result of the Company for the Quarter and Financial Year Ended March 31, 2024.

In the view of above, please find enclosed herewith the followings:

1. Independent Audit Report from M/s V.K. Sehgal & Associates, Chartered Accountants, Statutory Auditor, in term of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. The Audited financial Results of the Company for the quarter and Financial Year ended on March 31, 2024.

3. Declaration with respect to unmodified opinion of the Statutory Auditor in Audited Financial Results for the Financial Year ended March 31, 2024.

An Extract of the aforementioned results would be published in the newspaper in accordance with the Listing Regulations.

The meeting of the Board of Directors commenced at 03:00 PM and concluded at 03:45 PM.

This is for your information and record.
Thanking You,
For MFL INDIA LIMITED

Anil Thukral
Managing Director
DIN No. 01168540

Independent Auditor's Report

To,
The Members of,
MFL India Limited

Report on the Ind AS Financial Statements

We, M/s V. K. Sehgal & Associates, Chartered Accountants, have audited the accompanying Ind AS financial statements of MFL India Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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 March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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 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 nothing to report in this regard.

V.K. SEHGAL & ASSOCIATES
CHARTERED ACCOUNTANTS
NEW DELHI

Management's Responsibility for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) (Amendment) Rules, 2017. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Information other than the Financial Statements and Auditors' Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

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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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

(1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(2) 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.

(3) The Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(4) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act except for AS on retirement benefits for provision for Gratuity and Leave encashment.

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

(6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(7) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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(a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note to Accounts to the standalone Ind AS financial statements;

(b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

(d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(e) The company has not declared any interim during the year.

(8) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 24096530BKHAQE7289
Place: New Delhi
Date- 18/05/2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report the following:

(i) (a) (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year. The same have been properly dealt with in the books of account.

(c) The title deeds of immovable properties are held in the name of the Company.

(d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i) (d) of paragraph 3 of the order are not applicable to the company.

(e) 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. Therefore, the provisions of Clause (i) (e) of paragraph 3 of the order are not applicable to the company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate.

(b) During the year, the company has not been sanctioned any working capital limits, from banks or financial institutions.

(iii) During the year, the company has not made any investments in mutual funds and has not 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 or any other parties.

(iv) According to the information and explanations given to us and on the basis of our examination of records the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.

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(vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2024 for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute except for the amounts mentioned as mentioned hereunder:

According to the records of the Company, the dues outstanding of income-tax, Service tax, and others which are under dispute are as follows:

S. NO	Name of the Statute	Nature of Dues	Period	Amount in Rs.	Forum where dispute is pending
1	Income tax Act,1961	Income tax & Interest	AY 2018-2019	13,45,99,730.00	Commissioner of Income Tax (Appeals),

(viii) In our opinion and according to the information and explanations given to us, there are no transactions which are not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

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

(b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loans has been utilised for the purpose for which it was initially sanctioned.

(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.

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(b) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year.

(xi) (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.

(b) During the year 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 auditor, we did not receive any whistle- blower complaint during the year.

(xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

(xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.

(xiv) The company is covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is required to appoint an internal auditor. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are applicable to the Company.

(a) The company has an internal audit system commensurate with the size and nature of its business
(b) The reports of the Internal Auditors for the period under audit is considered by us.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order 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.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the previous statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

(xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 24096530BKHAQE7289

Place: New Delhi
Date- 18/05/2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under the heading "Report on other legal and regulatory requirements" of our report to the Members of MFL India Limited of even date)

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

We have audited the internal financial controls over financial reporting of MFL India Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

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(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 reparation of Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 24096530BKHAQE7289

Place: New Delhi
Date- 18/05/2024

MFL INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2024
Prepared in compliance with the Indian Accounting Standards (Ind-AS)

(Figures in Lakh)

S. No.	Particulars	Note No.	Figures as at (Audited)		Figures as at (Audited)	
I.	ASSETS					
	1 Non-current assets					
	(a) Property, Plant and Equipment	1	1136.58		806.94	
	(b) Capital work-in-progress					
	(c) Investment Property					
	(d) Goodwill		-		-	
	(e) Other Intangible assets					
	(f) Intangible assets Under Development		-		-	
	(g) Biological Assets other than bearer Plants		-		-	
	(h) Financial Assets					
	(i) Investments					
	(ii) Trade receivables					
	(iii) Loans					
	(iv) Other Financial Asset	2	26.45		17.20	
	(i) Deferred tax assets (net)					
	(j) Other Non current Assets					
				1163.03		824.14
	2 Current assets					
	(a) Inventories	3	-		39.43	
	(b) Financial Assets					
	(i) Investments					
	(ii) Trade receivables	4	124.48		305.15	
	(iii) Cash and cash equivalents	5	105.22		35.08	
	(iv) Bank balances other than (iii) above					
	(v) Loans & Advances	6	4.14		414.34	
	(vi) Others Financial asset	7	-		.21	
	(c) Current Tax Assets (Net)					
	(d) Other current assets	8	318.69		210.91	
				552.53		1005.12
	Total Assets			1715.57		1829.26
II.	EQUITY AND LIABILITIES					
	3 Equity					
	(a) Equity Share capital	9	3602.92		3602.92	
	(b) Other Equity	10	-3798.01	-195.09	-3552.41	50.51
	4 Non-current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	11	1488.09		1500.00	
	(ii) Trade payables					
	(a) total outstanding dues of micro enterprises and small enterprises and					
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises;					
	(iii) Other Financials Liabilties (Other than those specified in item(b) ,to be specified)					
	(b) Provisions					
	(c) Deffered Tax Liabilities					
	(d) Other Non current Liabilities		-	1488.09	-	1500.00
	5 Current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings		-		-	
	(ii) Trade payables	12	-		-	
	(a) total outstanding dues of micro enterprises and small enterprises and		405.02		255.48	
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises;		.12		1.86	
	(iii) Other Financials Liabilties (Other than those specified in item(c) ,to be specified)	13	16.23		11.84	
	(b) Other current liabilities	14	1.20		9.56	
	(c) Provisions		-		-	
	(d) Current Tax Liabilities (Net)		-		-	
				422.57		278.75
	Total Equity and Liabilities			1715.57		1829.26

Notes forming Part of Balance Sheet & Profit and loss accounts — 24

For and on behalf of Board of Directors
For MFL India Limited

Anil Thukral
Managing Director
DIN 01168540

Syed Zameer Ulla
Director
DIN 07486691

For V K Sehgal & Associates
(Chartered Accountants)
Firm's R. No. 011519N

Anuj Maheshwari
Partner
M.No. 096530

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Date:- 18.05.2024
PLACE:-DELHI
UDIN No- 24096530BKHAQE7289

MFL INDIA LIMITED
BALANCE SHEET AS AT MARCH 31, 2024
Prepared in compliance with the Indian Accounting Standards (Ind-AS)

(Figures in Lakh)

S. No.	Particulars	Note No.	Figures as at (Audited)		Figures as at (Audited)	
I.	ASSETS					
	1 Non-current assets					
	(a) Property, Plant and Equipment	1	1136.58		806.94	
	(b) Capital work-in-progress					
	(c) Investment Property					
	(d) Goodwill					
	(e) Other Intangible assets		-		-	
	(f) Intangible assets Under Development					
	(g) Biological Assets other than bearer Plants		-		-	
	(h) Financial Assets		-		-	
	(i) Investments					
	(ii) Trade receivables					
	(iii) Loans					
	(iv) Other Financial Asset	2	26.45		17.20	
	(i) Deferred tax assets (net)					
	(j) Other Non current Assets					
				1163.03		824.14
	2 Current assets					
	(a) Inventories	3	-		39.43	
	(b) Financial Assets					
	(i) Investments					
	(ii) Trade receivables	4	124.48		305.15	
	(iii) Cash and cash equivalents	5	105.22		35.08	
	(iv) Bank balances other than (iii) above					
	(v) Loans & Advances	6	4.14		414.34	
	(vi) Others Financial asset	7	-		.21	
	(c) Current Tax Assets (Net)					
	(d) Other current assets	8	318.69		210.91	
				552.53		1005.12
	Total Assets			1715.57		1829.26
II.	EQUITY AND LIABILITIES					
	3 Equity					
	(a) Equity Share capital	9	3602.92		3602.92	
	(b) Other Equity	10	-3798.01	-195.09	-3552.41	50.51
	4 Non-current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	11	1488.09		1500.00	
	(ii) Trade payables					
	(a) total outstanding dues of micro enterprises and small enterprises and					
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises;					
	(iii) Other Financials Liabilties (Other than those specified in item(b) ,to be specified)					
	(b) Provisions					
	(c) Deffered Tax Liabilities					
	(d) Other Non current Liabilities		-	1488.09	-	1500.00
	5 Current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings		-		-	
	(ii) Trade payables	12	-		-	
	(a) total outstanding dues of micro enterprises and small enterprises and		405.02		255.48	
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises;		.12		1.86	
	(iii) Other Financials Liabilties (Other than those specified in item(c) ,to be specified)	13	16.23		11.84	
	(b) Other current liabilities	14	1.20		9.56	
	(c) Provisions		-		-	
	(d) Current Tax Liabilities (Net)		-		-	
				422.57		278.75
	Total Equity and Liabilities			1715.57		1829.26

Notes forming Part of Balance Sheet & Profit and loss accounts — 24

For and on behalf of Board of Directors
For MFL India Limited

Anil Thukral
Managing Director
DIN 01168540

Syed Zameer Ulla
Director
DIN 07486691

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

For V K Sehgal & Associates
(Chartered Accountants)
Firm's R. No. 011519N

Anuj Maheshwari
Partner
M.No. 096530

Date:- 18.05.2024
PLACE:-DELHI
UDIN No- 24096530BKHAQE7289

MFL INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

PARTICULARS	(Figures in Lakh) 31.03.2024	(Figures in Lakh) 31.03.2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Exceptional Items	-245.60	.40
Adjustment for :		
Depreciation & Amortation	116.13	12.76
Interest Expenses	.47	.07
Proft On sale of fixed Assets	-7.47	.00
Operating Profit before working capital changes	-136.47	13.23
Adjustment for change in Current Assets and Current Liabilities		
Current Assets:		
Decrease/(Increase) in Inventory	39.43	-39.43
Decrease/(Increase) in Trade receivabless	180.67	-305.15
Decrease/(Increase) in Other current assets	302.62	-580.30
Current Liabilities:		
(Decrease)/Increase in Trade Payables	147.79	256.57
(Decrease)/Increase in Other Current Liabilities	-3.97	16.92
Cash generated/(used) in Operating activities	530.08	-638.16
Direct Taxes Paid	.00	.00
Net Cash generated/(used) in Operating Activities	530.08	-638.16
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	45.77	
(Purchase) of Fixed Assets	-484.08	-819.62
Security Deposits .	-9.25	-9.60
Net Cash Generated in Investing Activities	-447.56	-829.22
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/ (repayment of) Long term borrowings	-11.91	1500.00
Proceeds from/ (repayment of) short term borrowings	.00	.00
Interest Paid	-.47	-.07
Net Cash (Generated)/used in Financing Activities	-12.38	1499.93
Net Increase /(Decrease) in cash & cash equivalents	70.14	32.55
Cash equivalents as on the beginning of the year	35.08	2.53
Cash equivalents as on the end of the year	105.22	35.08

M/s V K SEHGAL FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
Chartered Accountants
Firm Regn. No. 011519N

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Anuj Maheshwari
Partner
M.No. 096530

Syed Zameer Ulla
Director
DIN 07486691

Anil Thukral
Managing Director
DIN 01168540

Dated: May 19, 2023
Place:New Delhi
UDIN No- 24096530BKHAQE7289

MFL INDIA LIMITED

Property, Plant and Equipment

Depreciation as per companies Act,2013

Particulars	Gross Block				Depreciation					Written Down Value	
	Balance as on 1-Apr-23	Additions	Disposals	Balance as on 31-Mar-24	Balance as on 1-Apr-23	Depreciation charged for the year	Additions	Disposals	Balance as on 31-Mar-24	Balance as on 31-Mar-23	Balance as on 31-Mar-24
Tangible Assets											
Land	205.00	55.00	-	260.00	-	-	-	-	-	205.00	260.00
Computer	1.34	1.13	-	2.47	1.30	.15	-	-	1.45	.04	1.02
Air Conditioner	.69	.68	-	1.36	.66	.05	-	-	.71	.02	.65
Plant & Machinery	-	385.00		385.00		38.44	-		38.44	-	346.56
Trailers	457.46	42.27	45.80	453.94	11.41	58.87	-	7.49	62.79	446.05	391.15
Commercial Vehicle	150.00	-	-	150.00	1.01	17.85	-	-	18.86	148.99	131.14
Furniture & Fisture	6.13	-	-	6.13	.32	.58	-	-	.90	5.81	5.23
Office Equipment	1.19	-	-	1.19	.17	.20	-	-	.36	1.03	.83
Sub Total	821.81	484.08	45.80	1260.09	14.87	116.13	-	7.49	123.51	806.94	1136.58

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

MFL INDIA LIMITED
NOTES TO ACCOUNTS TO THE BALANCE SHEET AS AT 31ST MARCH,2024

(Figures in Lakh)

	March 31,2024	March 31,2023
2 Other Financial Asset		-
Security deposits to parties	26.45	17.20
Total	26.45	17.20
3 Inventories		
Stock in hand	-	39.43
Total	-	39.43
4 Trade receivables		
Trade Receivable -Considered good - Secured	-	-
Trade Receivable -Considered good - Unsecured	124.48	305.15
Trade Receivable which have significant increase in Credit RisK	-	-
Trade Receivable -Credit Impaired	-	-
	124.48	305.15
Less:Allowance for bad and doubtful Debts	-	-
Total	124.48	305.15

Trade Receivable Ageing Schedule

Particulars	Outstanding for following periods from due date of payment -31.03.2024					
	< 6 months	< 6 month-1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	97.00	2.00	25.48	-	-	124.48
Undisputed Trade receivables which have significant increase in Credit RisK	-	-	-	-	-	-
Undisputed Trade receivables Credit Impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade receivables which have significant increase in Credit RisK	-	-	-	-	-	-
Disputed Trade receivables Credit Impaired	-	-	-	-	-	-
Gross	97.00	2.00	25.48	-	-	124.48

Trade Receivable Ageing Schedule

Particulars	Outstanding for following periods from due date of payment -31.03.2023					
	< 6 months	< 6 month-1 year	1-2 years	2-3 years	> 3 Years	Total
Undisputed Trade receivables – considered good	305.15	-	-	-	-	305.15
Undisputed Trade receivables which have significant increase in Credit RisK	-	-	-	-	-	-
Undisputed Trade receivables Credit Impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade receivables which have significant increase in Credit RisK	-	-	-	-	-	-
Disputed Trade receivables Credit Impaired	-	-	-	-	-	-
Gross	305.15	-	-	-	-	305.15

	March 31,2024	March 31,2023
5 Cash and cash equivalents		
Cash in hand	2.80	3.48
Balance in bank accounts	102.43	31.60
Total	105.22	35.08
6 Loans and Advances		
Usecured		
Advances	.61	409.62
Other Loans	3.53	4.72
Total	4.14	414.34
7 Other Financial Asset		
Advance to Vendor	-	.21
Total	-	.21
8 Other current assets		
Prepaid expenses	-	3.65
TDS and TCS receivable	239.10	65.31
Others	1.36	.01
GST Receivable	78.23	141.93
Total	318.69	210.91
11 Borrowings		
Unsecured Loans from Directors	1488.09	1500.00
Total	1488.09	1500.00

V.K. SEHGAL & ASSOCIATES
CHARTERED ACCOUNTANTS
NEW DELHI

12 Trade payables

a) Total outstanding dues to micro enterprises and small enterprises	405.02	255.48
b) Total outstanding dues to creditors other than micro enterprises and	.12	1.86
c) Disputed Dues - micro enterprises and small enterprises	-	-
d) Disputed Dues - other than micro enterprises and small enterprises	-	-
Total	405.14	257.34

Break Up of Trade Payables

Particulars	31.03.2024	31.03.2023
Trade (payables other than related parties)	-	15.88
Trade (payables to related parties)	405.14	241.46
Total	405.14	257.34

Trade payable Ageing Schedule

Particulars	Outstanding for following periods from due date of payment -31.03.2024				
	< 1 year	1-2 years	2-3 years	> 3 Years	Total
MSME	405.02	-	-	-	405.02
Others	.12	-	-	-	.12
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	405.14	-	-	-	405.14

Particulars	Outstanding for following periods from due date of payment -31.03.2023				
	< 1 year	1-2 years	2-3 years	> 3 Years	Total
MSME	255.48	-	-	-	255.48
Others	1.86		-	-	1.86
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	257.34	-	-	-	257.34

13 Other Financial Liabilities

Audit Fees Payable	2.50	3.06
Salary payable	4.58	2.71
Expenses Payable	1.00	.00
Advance From Customers	-	6.07
Other Payables	8.15	-
Total	16.23	11.84

14 Other current liabilities

TDS Payable	1.20	9.56
Total	1.20	9.56

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

NOTES TO ACCOUNTS TO THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2024

(Figures in Lakh)

	March 31,2024	March 31,2023
15 Revenue From Operations		
Sale of services	5258.04	1097.11
Sale of Goods	103.22	277.71
Total	5361.26	1374.82
16 Other Income		
Interest on Fixed Deposits	1.12	1.42
Interest on Income tax Refund	-	.16
Short & long term Capital Gain on Mutual Fund	5.82	-
Profit on Sale of fixed asset	7.47	-
Short & Excess	.19	.08
Bad Debt Provision Reversed	11.91	3.66
Total	26.51	5.33
17 Operating expenses		
Freight charges & Handling Charges	1468.60	1044.04
Diesel And Fuel Expenses	1090.00	-
Fleet expenses	2245.81	2.17
Total	4804.40	1046.22
18 Purchase of stock in trade		
Purchases of Goods	530.02	269.37
Purchase of Consumables	3.61	36.20
Total	533.63	305.57
19 Employee benefits expense		
Salary to staff	64.27	23.09
Admin Charges	.03	.00
Director Remmuneration	6.00	-
Total	70.30	23.09
20 Changes in Inventory of Finished Goods		
Opening Stock	39.43	-
Less:- Closing stock	-	39.43
Total	39.43	-39.43
21 Finance costs		
Bank Charges	.45	.01
Interest on TDS	.02	.05
Total	.47	.07
22 Depreciation and amortization expense		
Depreciation on Fixed Assets	116.13	12.76
Total	116.13	12.76
23 Other expenses		
Audit fees	2.50	2.80
Advertisement Expense	.35	.36
Electricity & Water Expenses	.31	-
Office Expenses	5.07	-
Office Repair & Maintenance	.30	.11
Printing & stationary	3.88	3.45
Professional & Legal Expenses	31.26	20.79
Rent Office	4.42	2.40
Travelling Expenses	3.40	.80
Business Promotion Expense	.17	.25
Filing Fees	.25	.38
Misc. Expense	1.40	.06
Brokerage	3.00	-
Cash Discount	3.22	-
Diwali Expenses	2.26	-
Car Running & Maintainance Expense	2.16	-
Software Expense	.71	.08
Telephone Expenses	.47	-
Rates & Taxes	3.89	-
	69.01	31.47

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Note-1: Company overview

MFL India Ltd. is a company rendering logistics and supply chain services all over the country. The Indian logistics & supply chain sector is increasingly becoming attractive to foreign and domestic operators as well as strategic and financial investors. The company has the mission to extend its operations to every nook and corner of the country in the years to come as the logistics & supply chain sector is also growing with the growing India.

The Company is a public limited company incorporated on 28/11/1981 in India and has its registered at 94/4, UG-F, UG-9 VILLAGE PATPARGANJ, DELHI East Delhi DL 110091 IN. The Company has its listing on BSE Limited.

Note-2: Statement of compliance:

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

Note-3: SIGNIFICANT POLICIES

a) Basis of preparation of financial statements

i. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2024, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements".

ii. The financial statements have been prepared under historical cost convention basis except for certain assets and liabilities measured at fair value at the end of each period.

iii. The financial statements are presented in Rs. In Lakhs except otherwise indicated.

b) Use of estimates and judgments

i) The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

ii) The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS * NEW DELHI * existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Property, plant and equipment

i) The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred.

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

d) Other Intangible assets

i) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

ii) Certain computer software costs are capitalized and recognized as intangible assets based on materiality, accounting prudence and significant benefits expected to flow there from for a period longer than one year.

e) Depreciation / Amortization

a. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

b. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

c. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

d. Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.

e. Lease improvement costs are amortized over the period of the lease. Leasehold land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

Estimated useful life of the assets are as follows:

Class of Property, plant and equipment	**Useful life**
Plant and equipment	08 years
Furniture and fixtures	10 years
Vehicles	08 years
Office equipment	5 years

f. Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset. The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

h) Inventories:

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost and net realizable value. Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

i) Revenue recognition:

i. Sale of Services

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from sale of logistics and other related services is recognized when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS *NEW DELHI*

ii. **interest income**

Interest income from a financial asset is recognized 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, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

i) **Employee benefits**

The Company has following post-employment plans:

a. **Defined contribution plans - provident fund**

I. Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that the payment covers.

II. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

j) **Taxation**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) **Current tax**

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

b) **Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. Deferred Tax Asset are recognized as and when there is reasonable certainty of profits in future years.

k) **Earnings per share**

a. Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

b. Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving

V.K. SEHGAL & ASSOCIATES CHARTERED ACCOUNTANTS NEW DELHI

basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

l) Provisions, contingencies and commitments:

a. The Company has ongoing disputes with income tax authorities relating to deduction of expenses of certain items. The Company is in receipt of notice of demand dated 21/04/2021 under section 156 of the income tax Act, 1961 for AY 2018-2019 for a sum of Rs 13,45,99,730.00.The liability keeps on increasing on account of interest every year. The same also being contingent has not been reported. The Company has already filed an appeal to the Commissioner of Income Tax (Appeals), against the said order contesting the adverse decisions by the assessing officer. Taking into consideration the facts and circumstances of the case and the past experience of the management, it is of the opinion that the decision of the appellate authorities will be in the favor of the company and hence they have not recognized the said liabilities in the books of account of the company . Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forum /authorities.

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

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

d. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

e. A disclosure for contingent liabilities is made where there is-

   i. a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

   ii. a present obligation that arises from past events but is not recognized because:

   iii. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   iv. The amount of the obligation cannot be measured with sufficient reliability.

f. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

g. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

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h. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

i. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

m) Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and finance fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

a. Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

b. Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

(a) the entity's business model for managing the financial assets and

(b) The contractual cash flow characteristics of the financial asset.

c. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount -outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as fair value through profit or loss on initial recognition):

a) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are

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recognized in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to Statement of Profit and Loss.

All other financial assets are subsequently measured at fair value.

d. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Statement of Profit and Loss and is included in the "Other income" line item.

e. Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

f. Financial liabilities subsequently measured at amortized cost

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

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

g. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

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h. Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

i. Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

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MFL INDIA LIMIETD

Statement of changes in Equity
For the Period Ended 31.03.2024

Note:-9 EQUITY SHARE CAPITAL

Balance as on 01.04.2023	Changes in Equity Share capital during the Year	Balance as on 31.03.2024
3602.92	-	3602.92

Note:-10 OTHER EQUITY

	Share application money pending allotment	Equity Component of Compound financial Instruments	Reserve and Surplus			Total
			Capital reserve	General Reserves	Retained Earnings	
Balance as on 01.04.2023	-	-	-	-3731.09	178.68	-3552.41
Total Comprehensive Income for the year					-245.60	-245.60
Balance as on 31.03.2024	-	-	-	-3731.09	-66.92	-3798.01

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MFL India Limited

CIN: L63040DL1981PLC012730
Contact No +91-11-32076767
E-Mail: helpdesk@mflindia.in
website: www.mflindia.co.in

The Corporate Relationship Department,
The Bombay Stock Exchange Limited (BSE Ltd.),
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Scrip Code: 526622

Dear Sir,

Sub: Declaration on Audit Report with unmodified opinion of the Statutory Auditors for the Financial Year ended March 31, 2024

Pursuant to regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification no. SEBI/L ADNRO/GN/2016-2017/001 dated May 25, 2016 and circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 and DCS/ COMP/04/2016-17 dated June 01, 2016 we hereby declare that **M/s V.K. Sehgal & Associates, Chartered Accountants,** (Firm Reg. No. 0011519N) Statutory Auditor of the Company, have issued an Auditor's report with unmodified opinion an Audited Financial Result of the Company for the quarter and year ended March 31, 2024.

This is for your information and record.
Thanking You,
For MFL INDIA LIMITED

Anil Thukral
Managing Director
DIN No. 01168540