



Date: September 04, 2023

To,

**The BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001  
General Manager, Listing  
Corporate Relations Department  
**BSE - 532797**

**The National Stock Exchange of India Ltd**

Exchange Plaza, C-1, Block G, Bandra Kurla  
Complex, Bandra (E) Mumbai – 400 051  
Vice President, Listing  
Corporate Relations Department  
**NSE - AUTOIND**

Dear Sir,

**Sub: Revised Annual Report for the Financial Year 2022-23 of the Company**

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the 27<sup>th</sup> Annual Report for the financial year 2022-23 alongwith the Notice of the 27<sup>th</sup> Annual General Meeting of the Company (“AGM”) was uploaded on September 2, 2023. We had inadvertently uploaded an incorrect version of our 27<sup>th</sup> Annual Report on Stock Exchanges. We are now attaching herewith the final & revised version of 27<sup>th</sup> Annual Report for year 2022-23 with some minor alterations.

We further confirm that there were only typographical changes between the two versions & it is our request to you to please consider the attached revised version of 27<sup>th</sup> Annual Report for year 2022-23.

Request you to please take the same on record.

Thanking you,

Yours truly,

**For Autoline Industries Limited**

**Shilpa Walunj**  
**Company Secretary**  
**A38259**

The logo for Autoline Industries Limited, featuring the word "AUTO" in blue, a red circular icon with a white stylized 'A' shape inside, and the word "LINE" in blue.A photograph of a large industrial manufacturing plant. In the foreground, two large, white, rectangular metal components, likely car body parts, are mounted on blue metal frames. The background shows a complex network of pipes, overhead lights, and structural beams of the factory. A large blue diagonal graphic element is overlaid on the left side of the image.

# Turnaround, Stability and Growth

Autoline Industries Limited

27<sup>th</sup> Annual Report 2022-23





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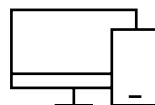
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To view our report  
online, please visit: [www.autolineind.com](http://www.autolineind.com)





**For over two decades, we have traversed a path marked by remarkable transformations, stability during challenges, and a resilient growth story. Amidst the ebb and flow of the industry, we have demonstrated a steadfast commitment to turnaround, stability and growth.**

The automotive sector has weathered severe challenges due to economic shifts and sectoral hurdles. However, recent years have seen a turnaround. The Indian Government has introduced several conducive policies, infusing fresh vigor into the industry. Backed by these positive developments, India is expected to become the world's third-largest automotive market in terms of volume by 2030.

A watershed moment continued to emerge in the fiscal year 2022-23, as like in previous year and that too with almost doubling the previous figures of profits which is a testament to Autoline's mettle. After navigating years of turbulence, our course corrected. A renewed impetus for growth emerged, propelled by unwavering dedication to enhancing operational and financial performance. The path was not without its challenges, yet stability and growth were achieved through resilience and adaptability. The industry landscape shifted, and we embraced it. A focus on electric vehicles led to strategic research and development, leading to the development of innovative solutions. Supply chains streamlined, and a commitment to quality bolstered our stability.

**As the automotive industry continues to evolve, we stand at the cusp of tremendous opportunities. Our recent turnaround serves as the foundation for achieving long-term growth and stability in the future.**

**Company Overview**

# Know Us

Autoline Industries was founded in 1996 and is amongst the largest manufacturers and suppliers of automotive components in India. We are engaged in manufacturing sheet metal components, sub-assemblies and assemblies, parking brakes, hinges, cab stay and cab tilt, exhaust systems, tubular structures, etc. for the automotive industry. The evolution we have undergone is remarkable. From a sheet metal stamping and pressing company, we have evolved into a dynamic auto ancillary company with a presence across the entire automotive value chain.

With our integrated design, manufacturing, and engineering expertise, we supply almost 3,000+ products to prominent Original Equipment Manufacturers (OEMs) in India and around the world for assembly into various passenger cars and commercial vehicles. We have established ourselves as a reliable supplier in the automobile industry by adhering to our dedication to quality and dependability.

**Ethos**

**Vision**

## D.R.I.V.E

Dependable Reliable Innovative solutions to create Value for stakeholders through Effective empowerment.



**Mission**

**People**

Empowering people to act like owners.

**Customer**

Exceeding Customer Expectations.

**Stakeholders**

Adding value for stakeholders.

**Workplace**

Functioning with energy and passion.

**Environment**

Driving quality, safety and environmental care.

**Effectiveness**

Emphasis Effectiveness through efficient actions.

**Values**

**Respect**

Treat everyone with dignity and respect.

**Integrity**

Say and do only what is right.

**Diversity**

Embrace the diverse perspectives.

**Growth**

Work towards growth as a way of life.

**Inclusion**

Maintain an open and inclusive environment in team Autoline.

**Quality**

Right the first time, on time, every time.



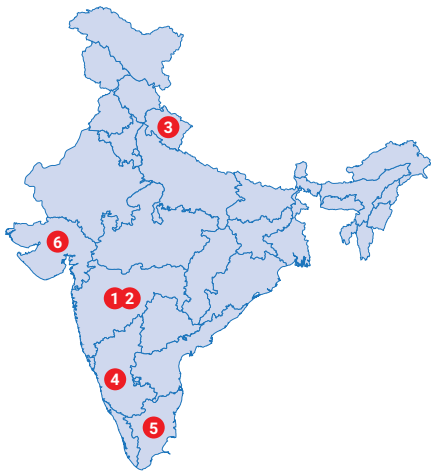
## Major Certifications



## Our Manufacturing Prowess

Our five world-class manufacturing facilities situated in Maharashtra, Uttarakhand, Karnataka, and Tamil Nadu are certified with ISO/TS 19649:2002 by TUV (Rh), Germany. These units are equipped with cutting-edge tools and machinery to design, develop, and produce complex sheet metal parts.

With an aim to take part in green revolution in the automotive industry and secure additional business, we are in the process to set up a new manufacturing facility at Sanand, Gujarat. We have successfully entered into manufacturing of own electric cycles.



## Manufacturing Locations



**Unit 1** - Chakan, Pune, Maharashtra  
(Area - 11,400 sqm)



**Unit 2** - Chakan, Pune, Maharashtra  
(Area - 58,364 sqm)



**Unit 3** - Pant Nagar, Uttarakhand  
(3 Units) (Area - 20,400 sqm)



**Unit 4** - Dharwad, Karnataka  
(Area - 7,500 sqm)



**Unit 5** - Hosur, Tamil Nadu  
(Area - 3,200 sqm)



**Unit 6** - Sanand, Gujarat  
(Area - 20,000 sqm)

### Key Strengths

- Manufacturing parts from 1 g to 400 kg and with wide material thickness frame.
- Manufacturing parts from prints with our own design.
- Strong design and engineering team who have worked on key projects with global OEMs.
- Diverse product portfolio of almost 3,000 products.
- Long-standing relationship with prominent OEMs in India and across the world.
- Largest press shop and biggest press machine in Pune measuring 2,000T Hyd
- Largest tool room in Pune.

### Our Marquee Customers

#### BIW\* Parts



TATA HITACHI



#### Small Mechanical Assemblies



#### Exhaust Systems



#### Other Major Customers



\*= BIW: Body in White

## Key Numbers

**₹ 646.59 Crores**

Revenue for FY 2022-23

**829**

Number of Employees

**4**

States of presence

**3,000+**

Products

**84,000 MT**Installed Steel  
Processing Capacity

## Awards and Accolades

Received the Award "In Recognition of Building Resilient Supply Chain for BIW parts and achieving Zero downtime" in the CEO meet conducted by Tata Motors-PV Unit on 19<sup>th</sup> April 2023





Product Portfolio

# Diversified Product Portfolio

## BIW PANELS



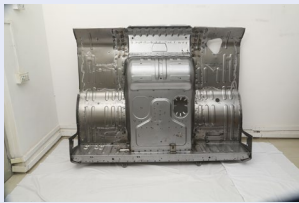
Floor Panels



Windshields



Panel Cab Rear



Assembly Sub Structure with Floor



Assembly Under Body Complete



Load Body

## WELDED ASSY



Welded Assy

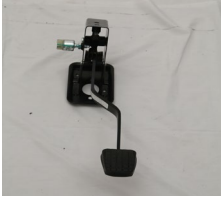


Firewall



Sidewall

## KINEMATIC ASSY



Foot Control Modules



Parking Brakes



Hinges



Stay Tilt

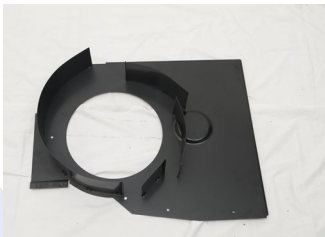


Cab Tilt



Gear Shifters

## EXHAUST AND OTHER SUB ASSEMBLIES



Tubular Exhaust



Muffler Exhaust

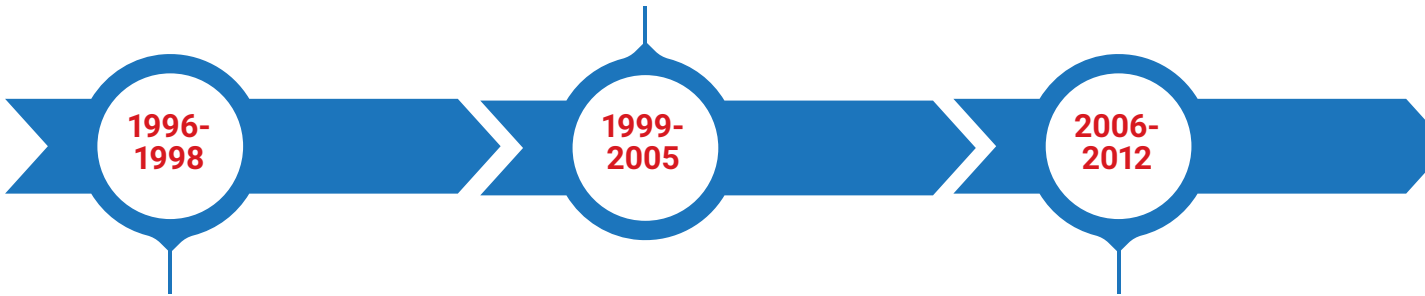


Large Stamp Assemblies  
for Export

Journey

# Milestones in our Journey

◦ Started manufacturing units at Chakan and Pimpri



**1996-1998**

**1999-2005**

**2006-2012**

- Incorporated as Autoline Stamping Private Limited
- Obtained the vendor code for direct supplies to Bajaj Auto Limited and Tata Motors Limited
- Started manufacturing units at Kudalwadi

- Started manufacturing units at Pantnagar (Uttarakhand), Bhosari (Pune), and Dharwad (Karnataka)
- Acquired 100% stake in Dimensions Engineering Services and Nirmiti Auto Components
- Listed on BSE and NSE
- Overseas investment –acquired 100% stake in an Auto Ancillary Entity in USA
- Set up AIPL for development of residential/ commercial projects





- Expanded product portfolio and client base
- Started supplying to OEMs
- Commenced consolidation of manufacturing facilities
- Debt restructuring
- Infusion of funds by the Promoters

**2013-  
2016**

**2017-  
2023**

- Embark the process to set up new facility at Sanand, Gujarat
- Monetization of the investment made in subsidiary Autoline Industrial Parks Limited
- Expansion of the Hosur manufacturing unit
- Started manufacturing unit at Hosur, Tamil Nadu
- Entry of Marquee Investors by contributing to equity capital
- Strategically consolidated three plants in Pune and one in Dharwad
- Technology collaboration with Tae Sung
- Forayed into new product lines; E-bicycle
- Penetrated in the Railway business

# Chairman's Message



**Dear Shareholders,**

**It is my privilege to present to you our Annual Report for FY 2022-23.**

**We feel an immense sense of pride in our performance for the year and a deep sense of optimism for the future that lies ahead of us.**

Amidst unprecedented challenges in the external environment, we have demonstrated resilience, stability, and adaptability. We have continued to navigate the evolving landscape of the automotive industry with innovation, collaboration, and a customer-centric approach.

FY 2022-23 witnessed major fluctuations in the global economy, attributed to macroeconomic volatility and geopolitical factors. Nevertheless, emerging markets have proven resilient and are positioned to provide stability amidst these adverse circumstances. The Gross Domestic Product (GDP) growth of the Indian economy for the year

stood at 7.2%, positioning the country as one of the fastest-growing economies worldwide. This growth reflects the sustained efforts made by the government to solidify India's prowess on the global stage. It can be attributed to focused initiatives aimed at strengthening infrastructure, manufacturing, and the overall business ecosystem, coupled with strong private consumption.

Presently, India ranks as the third-largest global market for passenger cars, highlighting the increasing automotive demand. This has consequently triggered a considerable uptick in the demand for automotive components within the nation. While the year commenced with supply chain disruptions owing to geopolitical conflicts, improved supply chain management and greater availability of commodities have helped stabilize prices over the past year. Moreover, favorable policy initiatives are expected to support the growth of the industry.

The robust domestic environment and the aspirations of Original Equipment Manufacturers (OEMs) to procure top-tier auto components to cater to the burgeoning demand for sophisticated and distinct vehicles will further propel the growth momentum.

Despite the obstacles faced, we have achieved impressive results in FY 2022-23 with 14.3% growth in revenue to ₹ 64,975.01 lakhs compared to ₹ 56,843.32 lakhs in the previous year. This was primarily attributed to the expansion of customer base and sustained increase in passenger vehicle volumes.

With an unwavering focus on customer satisfaction, we have consistently strived to provide unparalleled products and services of the highest quality. This dedicated approach has paved the way for us to build enduring relationships with our customers, resulting in a substantial upsurge in demand for our offerings.

PAT for the year stood at ₹ 1,053.5 lakhs compared to ₹ 769.4 lakhs in the previous year, registering an increase of 36.92%. Increased operational efficiency, productivity improvement, and significant cost-saving measures including rationalization of manufacturing plants have helped us achieve higher operating margins.

We have entered in to share purchase agreement to unlock the value of our subsidiary company investment, that would result in substantial influx of funds totalling ₹ 95 Crores over the coming two years. This strategic move not only fortifies our financial

position but also effectively addresses the requirements for working capital enhancement and debt reduction.

I am pleased to state that the Board of Directors at Autoline Industries unanimously approved a significant expansion initiative, involving the establishment of a state-of-the-art facility in Sanand, Gujarat. This strategic move is aimed at catering to the burgeoning Electric Vehicle (EV) market, positioning our Company for accelerated growth. Moreover, this expansion not only facilitates potential business in the EV sector but also ensures the retention of existing partnerships with longstanding OEMs. We expect operationalization of the new plant at the beginning of Q4 of FY24 as considerable work including land acquisition, equipment ordering and other resources mobilization have been put in motion.

Our promoters and other investors contributed significant capital in past showing their strong faith on the Company and its business. The promoters continued to contribute during the year and facilitated fundraising efforts for the Company. The promoters' contributions stand as a pivotal pillar for the stability and expansion of our Company. Their financial investment, coupled with astute strategic direction, has enabled us to navigate adversity and capitalize on promising prospects. Their steadfast commitment and belief in our overarching vision and growth potential have been instrumental in propelling Autoline to sustained success.

**PAT for the year stood at ₹ 1,053.5 lakhs compared to ₹ 769.4 lakhs in the previous year, registering an increase of 36.92%. Increased operational efficiency, productivity improvement, and significant cost-saving measures including rationalization of manufacturing plants have helped us achieve higher operating margins.**

India is poised to take a prominent role in the electric vehicle (EV) sector, empowered by favorable opportunities and policies at both central and state levels. The impending growth of the EV market, predominantly catalyzed by the two-wheeler and three-wheeler segments, is leading to significant investments. Noteworthy is the emerging traction within the four-wheeler sector, as prominent industry players prepare to introduce their own EV models.

In line with these developments, we are strategically positioned to expand our product portfolio and enhance capabilities to cater to the evolving needs of our customers. Through innovation and progressive technologies, we remain steadfast in our pursuit of excellence and differentiation.

Sustainability lies at the heart of our ethos and underpins our overarching strategy. With a firm commitment to responsible practices, we are actively embracing novel approaches and integrating Environmental, Social, and

Governance (ESG) principles into our risk management and sustainability strategy. We firmly believe that these proactive measures not only align with our values but will also equip us with a competitive advantage vis-à-vis our industry peers.

Finally, I would like to express my profound gratitude to our stakeholders for their continued trust and support. Our journey would be incomplete without acknowledging the persistent efforts of our dedicated employees whose hard work and contributions enable us to fulfill our strategic goals and endeavors.

We remain optimistic about the overall demand and reiterate our commitment to delivering value to our customers, shareholders, and other stakeholders.

Warm Regards,

**Prakash Nimbalkar**

Chairman & Independent Director  
DIN: 00109947



**Financial Performance**

# Key Performance Highlights

(Consolidated Basis)

**Revenue** (₹ in lakhs)

2022-23	64,975
2021-22	57,002
2020-21	28,641
2019-20	31,878
2018-19	45,458

**PBT** (₹ in lakhs)

2022-23	1,056
2021-22	769
2020-21	(4,187)
2019-20	(6,603)
2018-19	(488)

**PAT** (₹ in lakhs)

2022-23	1,053
2021-22	769
2020-21	(4,187)
2019-20	(6,603)
2018-19	(495)

**Net worth** (₹ in lakhs)

2022-23	13,925
2021-22	12,547
2020-21	8,422
2019-20	10,339
2018-19	16,969

**EPS** (₹)

2022-23	2.72
2021-22	2.09
2020-21	(14.48)
2019-20	(24.43)
2018-19	(2.32)



(₹ in lakhs)

PARTICULARS	2022-23	2021-22	2020-21	2019-20	2018-19
<b>OPERATING RESULTS</b>					
Sales and Other Income	65227	57002	28641	31878	45458
Profit before Depreciation, Interest & Tax	4108	5350	1053	(1008)	989
Less: Depreciation	1763	2013	2043	2095	2123
Finance Cost	2198	2568	3197	3133	3752
Profit before Tax (PBT)	1056	769	(4187)	(6603)	(488)
Profit after Tax (PAT)	1053	769	(4187)	(6603)	(495)
<b>ASSETS</b>					
Non-Current Assets	18109	18798	20212	22627	24348
Current Assets	25813	29911	22438	20534	28285
<b>Total</b>	<b>43923</b>	<b>48709</b>	<b>42650</b>	<b>43161</b>	<b>52633</b>
<b>EQUITY &amp; LIABILITIES</b>					
Share Capital	3896	3796	3096	2703	2703
Other Equity	3605	2268	(911)	1425	8038
Non-Controlling Interest	6424	6483	6237	6211	6228
<b>Total Shareholders' Fund</b>	<b>13925</b>	<b>12547</b>	<b>8422</b>	<b>10339</b>	<b>16969</b>
Non-Current Liabilities	3498	3007	6677	5058	8897
Current Liabilities	26498	33155	27551	27764	26767
<b>Total Liabilities</b>	<b>29997</b>	<b>36162</b>	<b>34228</b>	<b>32822</b>	<b>35664</b>
<b>Total Equity &amp; Liabilities</b>	<b>43923</b>	<b>48709</b>	<b>42650</b>	<b>43161</b>	<b>52633</b>
<b>OTHERS</b>					
Face Value of Share	10	10	10	10	10
Number of Issued Shares	38963164	37963164	30963164	27027585	27027585
Earnings Per Share (EPS)	2	2.09	(14.48)	(24.43)	(2.32)

# Building an Inclusive Workplace

Employees are considered a pivotal asset for growth and long-term business sustainability. We continuously undertake numerous initiatives to uplift employee morale and foster a conducive work environment. This encompasses welcoming new employees with pre-joining health checkups and comprehensive kits, offering trainings for skill and capability enhancement, recognizing and rewarding talented employees, and conducting health schemes and engaging activities to ensure employee welfare.



Participative Work Culture April 2023



Behavioral-based Safety Mar 2023



Finance for Non Finance April 2023



Safety & 5s Mar 2023



Inauguration of Robotic Line Mar 2023



Inauguration of Robotic Line Mar 2023



# Creating Value for Communities

We have consistently demonstrated a strong commitment to Corporate Social Responsibility (CSR) through a wide range of initiatives aimed at making a positive impact on our communities. We engage in activities such as tree plantation, donation of vital items, and organizing blood donation camps, among others. By extending a helping hand to the Divyang community, we strive to enable their economic self-sufficiency to integrate them into the societal mainstream.



Bhumipujan at Sanand July 2023



Inauguration of Gurukul Aug 2023



Inauguration of Gurukul Aug 2023



Inauguration of Gurukul Aug 2023



Palkhi in Jun 2023



Palkhi in Jun 2023



Bhumipujan at Sanand July 2023

# Board of Directors

## Mr. Prakash Nimbalkar

### Chairman (Independent Director)

Mr. Nimbalkar is the Chairman (Non-Executive and Independent Director) of the Company. He is a commerce graduate and holds a law degree (LLB) and Certified Associate of the Indian Institute of Bankers (CAIIB). He has more than 34 years of experience with the Reserve Bank of India (RBI), the Industrial Development Bank of India (IDBI) and the Small Industries Development Bank of India (SIDBI). As the Chairman of SIDBI Venture Capital Limited, he was looking after the policy formulation, sanctions, and monitoring of venture capital projects. His responsibilities at the RBI involved surveillance of commercial banks, branches of foreign banks and central / state cooperative banks engaged in agricultural finance.

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## Mr. Shivaji Akhade

### Managing Director and Chief Executive Officer

Mr. Akhade is the Co-founder, Promoter, and Managing Director & CEO of the Company with a wealth of experience in trading as well as manufacturing. He is a commerce graduate and manages overall operations and supports the marketing activities of the Company. He has been providing vision and direction to the Company since its inception. Equipped with the knowledge and technicalities of the production process due to his experience in the early days of the firm, he looks after the responsibility of production.

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## Mr. Sudhir Mungase

### Whole-time Director

Mr. Mungase is the Co-founder, Promoter, and Whole-time Director of the Company. He has been associated with the manufacturing, operations and maintenance activities of the Company for the past 25 years and has acquired experience in Sheet Metal Press Operations. He takes care of the production and maintenance under the direct supervision and guidance of the Managing Director. He monitors the overall activities of the Integrated Township Project of Autoline Industrial Parks Limited, a subsidiary of Autoline Industries Limited.

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## CA Vijay Thanawala

### Independent Director

CA Thanawala is the Director (Non-executive and Independent Director) of the Company. He is a commerce graduate and a fellow member of the Institute of Chartered Accountants of India (FCA). He has been a practicing Chartered Accountant for more than 40 years and has varied experience in the field of Audit, Taxation, and Management Consultancy. He is the senior partner of M/s Tandon & Thanawala, Chartered Accountants. He also has his own proprietary firm in the name and style of M/s. Thanawala & Company.

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## Mr. Sridhar Ramachandran

### Nominee Director

Mr. Ramachandran is a qualified Chartered Accountant from the Institute of Chartered Accountants of India (1988), Cost Accountant from the Institute of Cost Accountants of India (1989) and a CPA from Colorado State, USA (2005). He is also a commerce graduate from Madras University (1984). He specializes in the turnaround strategy and comes with over 30 years of significant experience in the general and financial turnaround management of companies across Asia and Africa. He has held leadership positions in different roles including, Alpen Capital, Brescon Corporate Advisors, Pioneer Embroideries, SKD Group (Hong Kong), Texmaco-Polysindo Group (Indonesia, South Africa & Botswana), Utexrwa (Rwanda). Post his return to India in 2008, he was involved in investment banking including Debt Restructuring, M&A, and Private Equity.

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## Ms. Rajashri Sai

### Independent Director

Ms. Sai is the founder of Impactree Data Technologies and Zuppa Geonavigation. Impactree is a technology company that works at aligning the vision of social enterprises and enabling scale-up of initiatives by working with social data among last-mile communities. She commenced her journey as a young student interested in environment & social development. In 2011, she was selected as a fellow participant in the Jagriti Yatra after which she left her corporate career to pursue social entrepreneurship to positively impact one million people in her lifetime. Her professional experience as a lawyer and member of the Institute of Company Secretaries of India (ICSI), with her unique experience in the development sector, allows her to gain insights from both the for-profit and non-profit organizations and successfully accelerate programs in rural India. Recently, she participated in an annual meet of the World Economic Forum in Davos, Switzerland as one of the 8 representatives nominated by Tamil Nadu Government. She was also felicitated at CNBC-TV18 Future Female Forward, an initiative that celebrates and recognizes inspiring women entrepreneurs who have overcome challenges and established innovative and sustainable business models that contribute significantly to the nations' growth.

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# Corporate Information

**Mr. Vilas Lande**  
Chairman Emeritus

## Board of Directors

**Mr. Prakash Nimbalkar**  
Chairman (Independent Director)

**Mr. Shivaji Akhade**  
Managing Director & CEO

**Mr. Sudhir Mungase**  
Whole-time Director

**CA. Vijay Thanawala**  
Independent Director

**Ms. Rajashri Sai**  
Independent Director

**Mr. Sridhar Ramachandran**  
Nominee Director

## STATUTORY AUDITORS

M/s. Sharp & Tannan Associates  
Chartered Accountants

## INTERNAL AUDITORS

M/s Moore Stephens  
Singhi Advisors LLP  
Chartered Accountants, Pune

## CHIEF FINANCIAL OFFICER

**Mr. Venugopal Pendyala**

## COMPANY SECRETARY

**CS Shilpa Walunj**

## REGISTERED OFFICE

Survey Nos. 313, 314, 320 to 323  
Nanekarwadi, Chakan,  
Taluka - Khed,  
District Pune - 410 501  
Tel: +91-2135-664865/6,  
CIN: L34300PN1996PLC104510  
E-mail: investorservices@  
autolineind.com  
Website: www.autolineind.com

## BANKERS / LENDERS

Bank of Baroda  
TATA Motors Finance  
Solutions Limited  
JM Financial Asset Reconstruction  
Company Limited

## REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.  
Block 202, 2nd Floor,  
Akshay Complex, Off  
Dhole Patil Road, Near Ganesh Mandir,  
Pune - 411 001,  
Phone: (020) - 26161629, 26160084  
Fax: 020 26163503  
E-mail: pune@linkintime.co.in  
Website: www.linkintime.co.in

## FACTORY/UNITS

- 1) S. Nos. 291 to 295, Nanekarwadi,  
Chakan, Taluka - Khed,  
Dist Pune - 410 501.
- 2) S. Nos. 313, 314, 320 to 323,  
Nanekarwadi, Chakan,  
Taluka - Khed, Dist Pune - 410 501.
- 3) Plot Nos. 5, 6 and 8, Sector 11,  
II E, TML Vendor Park, SIDCUL,  
Rudrapur, Uttarakhand - 263 153.
- 4) Plot No. 186 - A, Belur Industrial  
Area Growth Centre, Industrial Area  
Garag, Opp. High Court,  
Dharwad - 580 011, Karnataka.
- 5) Survey No.53, 36/2, 36/3, situated  
at Moorthigana Dinna Village,  
Dasaripalli, Hosur Bagalur Road,  
Hosur Taluk, Tamil Nadu - 635 109

## SUBSIDIARIES / ASSOCIATES

- 1) Autoline Industrial Parks Limited  
S. Nos. 313, 314, 320 to 323,  
Nanekarwadi, Chakan,  
Taluka - Khed, Dist. Pune - 410 501.
- 2) Autoline Design Software Limited  
S. Nos. 313, 314, 320 to 323,  
Nanekarwadi, Chakan,  
Taluka - Khed, Dist. Pune - 410 501.

3) Autoline E-Mobility Private Limited  
S. Nos. 313, 314, 320 to 323,  
Nanekarwadi, Chakan,  
Taluka - Khed, Dist. Pune - 410 501.

4) Koderat Investments Limited  
Griva Digeni 115, Trident Centre,  
3101, Limassol, Cyprus.

## KEY MANAGEMENT TEAM

**Mr. Shivaji Akhade**  
Managing Director & CEO

**Mr. Sudhir Mungase**  
Whole-time Director

**Mr. Venugopal Rao Pendyala**  
Chief Financial Officer

**Mr. Mayank Sharma**  
Chief Operating Officer

**CS Shilpa Walunj**  
Company Secretary

**Mr. Pritam Nanwani**  
Head - Sales & Marketing

**Mr. Shalil Akare**  
Head - Design (ADSL)

**Mr. Ketan Vasagadekar**  
Head - Human Asset Division

**Mr. Satish Satpute**  
Head - Tool Rooms

**Mr. Faiyaz Kashi**  
Head - Business Development

**Mr. Vinod Chandak**  
Head - Material

**Mr. Ramesh Chavan**  
Head - IT

**Mr. Yogesh Ghodekar**  
Head - Quality

**Mr. Yogesh Dharm**  
Head - Engineering

**Mr. Vishal Malusare**  
Operations Head - Pune Plant

**Mr. Manoj Bhaiswar**  
Plant - Head Chakan Unit 1

**Mr. Dharmendra Bomewar**  
Plant - Head Chakan Unit 2

**Mr. S. Gowri Shankar**  
Plant - Head - Hosur

**Mr. Sanjiv Walia**  
Plant - Head - UKD

**Mr. Sachin Bhaiya**  
Head - Sales & Marketing (AEMPL)

**Mr. Dilip Kand**  
Head - CFO (AIPL)

# Notice

**Notice** is hereby given that the Twenty Seventh Annual General Meeting of the Members of Autoline Industries Limited will be held on Monday, September 25, 2023 at 2:30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses:

## Ordinary Business

- To receive, consider and adopt the audited financial statements of the Company on a standalone and consolidated basis, for the financial year ended March 31, 2023, the reports of the Board of Directors and Auditors thereon.**
- To appoint a Director in place of Mr. Sudhir Mungase (DIN: 00006754), who retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.**

## Special Business

- To re-appoint Ms. Rajashri Sai (DIN: 07112541) as an Independent Woman Director in the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and the relevant provisions of the Articles of Association of the Company and in accordance with the recommendations and approval of the Nomination and Remuneration Committee, and that of the Board, respectively, Ms. Rajashri Sai (DIN:07112541), who was appointed as an Independent Director and who is holding office of Independent Director up to January 31, 2024 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (Five) consecutive

years on the Board of the Company commencing from February 1, 2024 upto January 31, 2029.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any Committee of directors or any Director/Key Managerial Personnel of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and all actions taken by the Board in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respect."

- To approve remuneration to Non-Executive Directors and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of sections 197, 198, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded for the payment of remuneration for the financial year 2022-23 where the profits are inadequate, by way of commission to the Non-Executive Directors including independent directors of the Company for their performance, as may be decided by the Board of Directors from time to time, provided that total remuneration payable to the Non-Executive Directors including independent directors shall not exceed ₹ 1,20,000/- (Indian Rupees One lakh Twenty Thousands only) each and within the maximum permissible limit under Part II of Schedule V of the Act, with an authority to the Board of Directors to determine the manner and proportion in which the amount be distributed among Non-Executive Directors.

**RESOLVED FURTHER THAT** the above remuneration shall be in addition to the fees payable to the Non-Executive Directors including independent directors for attending the meetings of the Board of Directors or any Committee thereof or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary from time to time for giving effect to this resolution including delegation of all or any of powers to any Sub-Committee/ Director(s) / Officer(s) of the Company and settle any question, difficulty or doubt that may arise in this regard.”

**5. To approve sale, transfer or disposal of shares held by the Company in a material subsidiary of the Company and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“LODR”), and other applicable provisions including any statutory modifications and amendments to each of the foregoing and applicable notifications, clarifications, circulars, rules and regulations issued by any government or statutory authorities and subject to their requisite approvals, if any and subject to the Memorandum and Articles of Association of the Company and other applicable provisions, if any, the approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall include any Committee of Directors constituted by the Board) to sale/transfer/ disposal of its entire shareholding in Autoline Industrial Parks Limited which is a material subsidiary of the Company resulting in reduction of its shareholding and ceasing the exercise of control over the subsidiary for a consideration and on such terms and conditions as may be agreed by the Board of the Company;.”

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things as may be necessary from time to time for giving effect to this resolution including delegation of all or any of powers to any Sub-Committee/ Director(s) / Officer(s) of the Company and settle any question, difficulty or doubt that may arise in this regard.”

By Order of the Board of Directors of  
**Autoline Industries Limited**

**Shilpa Walunj**  
Company Secretary &  
Compliance Officer

Pune, August 13, 2023

Membership No. : A38259

Registered Office: Survey No. 313, 314, 320 to 323  
Nanekarwadi, Chakan, Taluka- Khed, District- Pune 410501  
CIN: L34300PN1996PLC104510  
E-mail: [investorservices@autolineind.com](mailto:investorservices@autolineind.com)

**NOTES**

1. The Ministry of Corporate Affairs (‘MCA’) has vide its circulars dated April 8, 2020, April 13, 2020, May 5, 2020 read with circular dated December 28, 2022 (collectively referred to as ‘MCA Circulars’) permitted the holding of the Annual General Meeting (‘AGM’) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (‘Act’), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
2. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
3. Members may please note that since the AGM is being held through VC/OAVM Modes, the route map of the Venue of the meeting is not annexed hereto.
4. Institutional Investors, who are members of the Company, are encouraged to attend and vote at the 27<sup>th</sup> AGM through VC/ OAVM facility. Corporate members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/ OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail [sunil.nanal@kanjcs.com](mailto:sunil.nanal@kanjcs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars as stated above, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system for the AGM will be provided by NSDL.



6. Only registered members of the Company may attend and vote through VC/OAVM facility.
7. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members, who would like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the AGM, need to register themselves as a speaker by sending a request from their registered email address mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's email address [investorservices@autolineind.com](mailto:investorservices@autolineind.com) at least 10 days in advance before the start of AGM, i.e. by September 15, 2023 by 02:30 p.m. Only those members who have pre-registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**9. Voting through electronic means:**

Members may exercise their right either by (a) remote e-voting prior to the AGM as explained herein below or (b) e-voting during the AGM as explained below:

The instructions for members voting electronically and joining Annual General Meeting are as under:

The remote e-voting period begins on Friday, September 22, 2023 at 09:00 a.m. and ends on Sunday, September

24, 2023 at 05:00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off Date (Record Date) on Monday, September 18, 2023 may cast their vote electronically. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The procedure to login and access remote e-voting as devised by depositories/depository participants is given below:

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

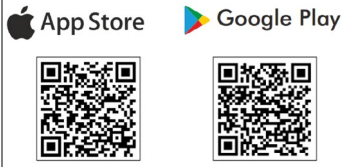
**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDEAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select <b>"Register Online for IDEAS Portal"</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="1082 451 1426 658" style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div> </li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website at <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

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

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

#### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.



**c) How to retrieve your 'initial password'?**

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
    - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
  7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sunil.nanal@kanjcs.com](mailto:sunil.nanal@kanjcs.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investorservices@autolineind.com](mailto:investorservices@autolineind.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investorservices@autolineind.com](mailto:investorservices@autolineind.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on

the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investorservices@autolineind.com](mailto:investorservices@autolineind.com). The same will be replied by the company suitably.

**10. Transfer to Investor Education and Protection Fund (the IEPF) :**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividends as and when declared up to the financial year 2013-14, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Details of dividends so far transferred to the IEPF authority are available on the website of IEPF authority and can be accessed through the link [www.iepf.gov.in](http://www.iepf.gov.in).

As provided under these Rules, the members would be allowed to claim such unpaid dividends and the

shares transferred to the Fund by following the required procedure. Shareholders are requested to get in touch with the compliance officer for further details on the subject.

11. The relative Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business of the Notice is annexed hereto and Details of Directors retiring by rotation/ seeking appointment/ re-appointment at this meeting are provided in the Annexure -1 to this Notice.

**12. Dispatch of Annual Report through Electronic Mode:**

In compliance of the General Circular No. 10/2022 dated December 28, 2022 read together with General Circular General Circular No. 20/2020, dated May 5, 2020 and No. 02/2021 dated January 13, 2021 issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") circulars, the notice of this AGM along with the 27<sup>th</sup> Annual Report is being sent only by electronic mode to all the members whose email addresses are registered with the Company/ Depository Participant(s) for communication purposes, unless any member has requested for a physical copy of the same. Members may also note that the Notice of the 27<sup>th</sup> Annual General Meeting along with 27<sup>th</sup> Annual Report will also be available on the Company's website- [www.autolineind.com](http://www.autolineind.com) and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited. The Electronic copies of all the documents referred in the Notice shall be made available for inspection.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Link Intime/ Company.

As per the provisions of Section 72 of the Act and SEBI Circular Members holding shares in physical form are mandated to make nomination in respect of their shareholding in the Company by submitting Form No. SH. 13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination he/ she may submit the same in ISR-3 or SH-14 as the case may be. The said forms are available and can be downloaded from the Company's website- [www.autolineind.com](http://www.autolineind.com) under the section 'Investor Relations'. Members are requested to submit the said details

to their DP in case the shares are held by them in dematerialized form and to Link Intime /the Company in case the shares are held in physical form.

14. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company, for consolidation in to a single folio. Request for consolidation shall be processed in Dematerialized format.

15. Non-Resident Indian Members are requested to inform Link Intime immediately of:

- a) Change in their residential status on return to India for permanent settlement.
- b) Particulars of their bank account maintained in India with complete name, branch, account type, account number, IFSC code and address of the bank with pin code number, if not furnished earlier.

16. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

17. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, Telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.;

- a. For shares held in electronic form: to their Depository Participants (DPs)
- b. For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The said forms are available and can be downloaded from the Company's website- [www.autolineind.com](http://www.autolineind.com) under the section 'Investor Relations' and also available with RTAs.

18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed



companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Company's website- [www.autolineind.com](http://www.autolineind.com) under the section 'Investor Relations' and is also available on the website of the Link Intime at <https://web.linkintime.co.in/client-downloads.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

19. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Link Intime, for assistance in this regard.
20. **SEBI has mandated submission of PAN by every participant in the Securities Market. Members holding shares in Electronic form are, therefore, requested to submit their PAN details to their Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company's RTA.**
21. **Norms for furnishing of PAN, KYC, Bank details and Nomination:**  
Pursuant to SEBI Circular no. SEBI/HO/MIRSD/ MIRSDPoD-1/P/ CIR/2023/37 dated March 16, 2023, issued in supersession of earlier circulars issued by SEBI bearing nos. SEBI/HO/ MIRSD/MIRSD RTAMB /P/ CIR/2021/655 and SEBI/HO/MIRSD/ MIRSD RTAMB/ P/ CIR/2021/687 dated November 3, 2021 and December 14, 2021, respectively, SEBI has mandated all listed companies to record PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers of holders of physical securities.

The folios wherein any one of the cited documents/ details is not available on or after October 1, 2023, shall be frozen by the RTA.

The securities in the frozen folios shall be eligible:

- To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
- To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements.

The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website [www.autolineind.com](http://www.autolineind.com). In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company has despatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank details and Nomination, are requested to contact their respective DPs. Further, Members holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002, after December 31, 2025.

22. Members desiring any information with regard to Accounts/ Annual Reports are requested to write to the Company Secretary at least 10 days before the date of the Annual General Meeting so as to enable the Management to keep the information ready. Electronic copies of the relevant documents referred to in the AGM Notice and Explanatory Statement shall be made available for inspection by Members, if so desired. Electronic copies of necessary statutory registers and auditors report/certificates will be available for inspection by the members at the time of AGM. Members who wish to inspect the relevant documents referred above and in the Notice can send an email to: [investorservices@autolineind.com](mailto:investorservices@autolineind.com) up to date of this AGM.
23. **Members who have not registered their e-mail addresses so far, are requested to register/update their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
24. Mr. Sunil G. Nanal (FCS No. 5977), Partner M/s. KANJ & Co. LLP, Practicing Company Secretaries has been

appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.

25. The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a director authorized by board in writing who shall countersign the same. The Chairman or a director authorized by board shall declare the result of the voting forthwith but not later than 2 working days of conclusion of the meeting.
26. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.autolineind.com](http://www.autolineind.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and communicated to the Stock Exchanges immediately after declaration. The result shall also be displayed on the Notice Board at the Registered Office of the Company.
27. Members are requested to send all their documents and communications pertaining to shares to Link Intime India Pvt. Ltd., Share Transfer Agent of the Company (Link Intime) at its address at Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune- 411 001 (Maharashtra), India; Telephone No. (020)-26161629, 26160084; Fax No. (020)-26163503 for both physical and demat segment of Equity Shares. Please quote "Unit-Autoline Industries Limited" on all such correspondences. E-mail address of Link Intime is [pune@linkintime.co.in](mailto:pune@linkintime.co.in).

## EXPLANATORY STATEMENT

(Statement setting out material facts under Section 102 of the Companies Act, 2013)

### Item No. 3

Ms. Rajashri Sai (DIN: 07112541) was appointed as an Independent Director on the Board of the Company for a period of Three years in the 25<sup>th</sup> Annual General Meeting of the Company with effect from February 1, 2021 in accordance with the applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (LODR) Regulations, 2015. She holds the office of Independent Director of the Company. The appointment of Ms. Rajashri Sai enables the Company to comply with the provisions of Section 149(1) of the Act and Regulation 17 of SEBI (LODR) Regulations, 2015 which require to have at least one Woman Director in the Company.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

The Nomination and Remuneration Committee of the Board of Directors in its meeting dated May 18, 2023, on the basis of the report of performance evaluation of Independent Directors and satisfying with the aptness of Ms. Rajashri Sai as a candidature for the position, has recommended reappointment of Ms. Rajashri Sai (DIN: 07112541) as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

Ms Rajashri Sai is the founder of Impacttree Data Technologies and Zuppa Geonavigation. Impacttree is a technology company that works at aligning the vision of Social Enterprises and enabling the scale-up of grassroots initiatives by working in with social data among last-mile communities. By involving communities in the collection and ownership of data Impacttree helps build programmes through a bottoms-up approach to scale.

She is also a founder member of Zuppa - an electronic embedded hardware company in the area of self-driving vehicles, IoT devices and drones. As a part of the core team, Rajashri has been part of the inception and scale of Zuppa overseeing partnership, investor relations, finance, legal and strategy.

As partnership advisor to Swayam Shikshan Prayog, she has forged multiple-level partnerships for the organization with Banks, Technology partners and Governments, which was crucial to creating a robust last mile entrepreneurship ecosystem for rural women entrepreneurs, under the "wPOWER" implemented by SSP with the support of USAID.

Ms. Rajashri Sai holds a bachelor's degree in Business Economics, a bachelor's degree in Law, has completed the Company Secretary Programme and executive postgraduate programme from IIM Kozhikode.

Ms. Rajashri Sai has been accorded many achievements during a very short span of time such as, in 2018 Ms. Rajashri Sai was selected as one of the leading women entrepreneurs transforming India by the US State Department under the International visitor's leadership programme -2018.

She was selected to be the only Asian women entrepreneur to address the US Chamber of Commerce on creating last-mile rural networks at their Women's day celebration in 2018.

She was selected by United Nations to address a session at the Headquarters in New York on creating a last mile rural network of women entrepreneurs - on the occasion of the International Commission on Women.

She has been selected as one of the top 30 Tech Super Girls 2021 by Indian Woman Institutional League.

She was among 8 start-up entrepreneurs who represented Tamilnadu Government in World Economic Forum 2022 held in Davos, Switzerland.

Recently she was felicitated at CNBC-TV18 Future Female Forward, an initiative that celebrates and recognizes inspiring women entrepreneurs who have triumphed over challenges, establishing innovative and sustainable business models that contribute significantly to the growth of our country.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background, experience and contributions made by her during her tenure, the continued association of Ms. Rajashri Sai would be of immense benefit to the Company and it is desirable to continue her as an Independent Director. The aforesaid distinctions justify her candidature for the position of Independent Director and accordingly, it is proposed to re-appoint Ms. Rajashri Sai as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Ms. Rajashri Sai (DIN: 07112541) is not disqualified from being reappointed as Director in terms of Section 164 of the Act and have given her consent to act as a Director. The Company has received notices in writing from her under Section 160 of the Act proposing her candidature for the office of Independent Director of the Company. She has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA'). The Company has also received declaration from Ms. Rajashri Sai (DIN: 07112541) that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. She has also confirmed that she is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

In the opinion of the Board, Ms. Rajashri Sai (DIN: 07112541) fulfils the conditions for reappointment as Independent Director as specified in the Act and the Listing Regulation. Ms. Rajashri Sai (DIN: 07112541) is independent of the management.

Details of proposed Independent Director are provided in the "Annexure-1" to the Notice pursuant to the provisions of (i) LODR and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. A copy of the draft letter of appointment of Ms Rajashri Sai setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company. Ms Rajashri Sai is interested in the resolution set out at Item No. 3 of the Notice with regard to her re-appointment. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

None of the Directors, Key Managerial Personnel of the Company or their relatives as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the resolution. The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

#### Item No. 4

The Company earlier was paying the remuneration by way of commission to Non-Executive Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act, 1956. The Non-Executive Directors, however, have not received a commission since FY 2012-13 due to the weak financial performance of the Company.

The role and responsibilities of the Board, particularly Independent Directors, have grown more demanding as a result of the increased Corporate Governance obligations under the Act and the SEBI Listing Regulations, necessitating larger time commitments, attention, and a higher level of monitoring. Further Non-Executive Directors including Independent Directors of the Company devote their significant time to the organisation and have the knowledge to offer critical advice to the Company. Further, the Company is in the turnaround phase since last year and started earning profits. The Companies Act, 2013 has been amended and now the Company whose profit is inadequate can also pay remuneration to the Non-Executive Directors as per the limit prescribed in Schedule-V based on the Effective Capital.

In view of the above, the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on May 18, 2023 recommended and approved the payment of commission upto an amount of ₹ 420000/- (₹ Four Lakhs Twenty Thousands only) to the Non-Executive



Directors including independent directors of the Company in terms of Schedule V for the payment of remuneration, in case of inadequate profits or no profits. Regulation 17(6) of the SEBI Listing Regulations authorises the Board of Directors to recommend all fees and compensation, if any, paid to Non-Executive Directors, including Independent Directors and the same would require approval of members in General Meeting. This commission will be distributed amongst all or some of the Non-Executive Directors, taking into consideration parameters such as duration of their tenure, attendance at Board and Committee meetings, contribution at or other than at meetings, etc. in accordance with the directions given by the Board of Directors of the Company.

The above commission shall be in addition to fees payable to the Director(s) for attending meetings of the Board and Committees or for any other purpose whatsoever as may be decided by the Board and reimbursement of expenses for participation in the Board and other meetings.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Accordingly, members' approval is sought by way of an Ordinary Resolution for payment of commission to the Non-Executive Directors as set out in the said resolution.

None of the Directors, Key Managerial Personnel or their respective relatives, are concerned or interested in the Resolution mentioned at Item No. 4 of the Notice, except the Non-Executive directors including Independent Directors, to the extent of the commission that may be received by them, for Financial Year 2022-23.

**Item No. 5**

Autoline Industrial Parks Limited ("AIPL") is a material subsidiary company as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 wherein the Company holds 43.26% shares. AIPL was incorporated to develop Industrial Parks, Township Projects etc. AIPL had purchased a piece of land at Village Mahalunge, Taluka, Khed, District Pune (MH), India for setting up of Township under the Integrated Township

Project (ITP) (Erstwhile STP) of Government of Maharashtra. After receipt of Township and other required Approvals, AIPL was in process to monetize ITP land and was exploring various opportunities to develop the project on the said land including by way of Joint Development. However, the deals with various developers could not work out. In the meanwhile, the Company received a proposal from MNSC Reality & Developers Private Limited which has shown its willingness to acquire the AIPL and negotiated with all the shareholders of AIPL.

In view of above, the Company has entered into an agreement with the Buyer to sell, transfer or otherwise dispose of its stake of equity held in AIPL in tranches subject to obtaining the approval of shareholders of the Company. Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that disposal of shares in material subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to fifty percent or cease the exercise of control over the subsidiary shall require prior approval of shareholders by way of special resolution, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/ National Company Law Tribunal. Hence, the Board is required to obtain the consent of the Company by way of a Special Resolution.

In view of above, the Board of Directors recommends the Special Resolution set out at Item no. 5 in the Notice for approval of members, as they feel the same to be in the best interest of the Company and shall make the financial position of the Company strong. Mr. Shivaji Akhade and Mr. Sudhir Mungase directors, shareholders and promoters of the Company are interested in this resolution being the directors, shareholders and promoters of AIPL to the extent of their shareholding rights in both the companies and Mr. Vijay Thanawala, Director of the Company is interested in this resolution being the director of AIPL to the extent of his directorship in the Company and rest of the Directors and Key managerial personnel of the Company may be interested in this resolution to the extent of transaction with subsidiary Company of the Company.

# Annexure-I

Name of Directors	Mr. Sudhir Mungase	Ms. Rajashri Sai
Date of Birth & Age	April 01, 1975; 48 Years	December 30, 1988; 35 years
Qualification	Undergraduate	<ul style="list-style-type: none"> <li>Executive Post Graduate Programme – IIM – Kozhikode (2018-2020)</li> <li>Member of Institute of Company Secretaries of India</li> <li>Bachelors in Law – Mumbai University</li> <li>Bachelors in Economics (Gold Medalist) – Madras University.</li> </ul>
Expertise in specific Functional Areas & Experience	<ul style="list-style-type: none"> <li>Associated with manufacturing operations and maintenance activities of the company for the past 16 years</li> <li>Acquired experience in Sheet Metal Press Operations.</li> <li>Looks after the production and maintenance under the direct supervision and guidance of the Managing Director.</li> <li>Monitoring overall activities of the Special Township project of Autoline Industrial Parks Limited a subsidiary of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Professional experience as a Lawyer and member of the Institute of Company Secretary of India,</li> <li>Experience of overseeing partnership, investor relations, finance and legal and strategy</li> <li>Unique experience in the development sector of both profit and not profit organizations and successfully scale programmes in rural India across sectors such as entrepreneurship, skills development and capacity building of youth, clean energy and education in a transparent manner.</li> </ul>
Terms & Conditions of Appointment / Reappointment	Same as the previous appointment	As mentioned in Resolution No. 3 and in Item No. 3 of Explanatory Statement of this Notice.
Last drawn Remuneration	₹ 2,00,000/- per month	Not Applicable
Details of Remuneration sought to be paid	N. A.	Not Applicable
Date of First appointment on Board	December 16, 1996	February 1, 2021
Shareholding (either by them/ beneficial) in the Company	4323431 (11.10%)	Nil
Relationship with other Directors, Manager or KMP	Mr. Sudhir Mungase is Brother-in-law of Mr Shivaji Akhade	She is not related with any other Directors, Manager or KMP.

Name of Directors	Mr. Sudhir Mungase	Ms. Rajashri Sai
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years*	Nil	Nil
In case of Independent Director the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	NA	Refer Item No. 3 of the Notice and Explanatory Statement

\*The number of Meetings of the Board attended during the year are given in the Corporate Governance Report which forms part of this Annual Report.

By Order of the Board of Directors of  
**Autoline Industries Limited**

**Shilpa Walunj**

Company Secretary & Compliance Officer  
Membership No. : A38259

Pune, August 13, 2023

Registered Office: Survey No. 313, 314, 320 to 323  
Nanekarwadi, Chakan, Taluka- Khed, District- Pune 410501  
CIN: L34300PN1996PLC104510  
E-mail: [investorservices@autolineind.com](mailto:investorservices@autolineind.com)



# Directors' Report

Dear Members,

Your Directors are pleased to present the 27<sup>th</sup> Directors' Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2023.

## 1. Financial Results

The financial highlights for the year under review compared to the previous financial year are given below:

₹ In Lakhs except EPS data

PARTICULARS	Standalone		Consolidated	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Revenue from operations	64658.84	56637.89	64975.01	56843.32
Earnings before Interest, Financial Charges, Depreciation, Tax & Amortization – (EBIDTA)	4011.65	4730.00	4108.46	4788.00
Less: Finance Cost	2139.14	2532.01	2198.54	2568.12
Less: Depreciation & amortization expenses	1739.71	2011.04	1763.47	2013.56
Add: Exceptional items	1355.34	563.08	909.99	563.08
Profit Before Tax	1488.14	750.03	1056.44	769.40
Tax Expense	0.00	0.00	2.94	0.00
Profit After Tax (PAT)	1488.14	750.03	1053.5	769.40
Other Comprehensive Income	-10.47	44.40	-11.85	47.68
Profit Attributable to group	1477.67	794.43	1041.65	817.08
Earnings per Share (Basic) (in ₹)	3.84	2.04	2.72	2.09
Earnings per Share (Diluted) (in ₹)	3.82	1.99	2.70	2.05

## 2. Transfer to Reserves

The Company does not propose to transfer any amount to general reserve.

## 3. Dividend

Though your Company has earned Profit after Tax (PAT) of ₹ 14.88 Crores during the year, the Board of Directors do not recommend dividend for the financial year 2022-23 as the Board wishes to retain the earnings to meet its financial obligations and for growth. No dividend was declared in the previous year.

## 4. State of the Company's Affairs, Financial Performance and Business Overview

Upon generating the highest revenue in FY 2021-22 in last seven years, your company is now on the path of exponential growth based on improved performance of all business divisions supported by strong demand.

The Company generated stand-alone revenue of ₹ 646.59 Crore this year against ₹ 566.38 Crores in last year and had a net profit of ₹ 14.88 crores, twofold up from ₹ 7.50 Crores the year before. The Company has registered the 14% revenue growth in FY 2022-23 over FY 2021-22, by expanding the Customer base, developing new products, tapping new markets/customers, automation in the production line and passenger vehicles continue to show increased volumes, side by side taking efforts to reduce the costs and improve operational efficiency. These approaches ensured the positive results during the year and worked as the turnaround strategy for the Company.

Directors believe that with the latest market demand the growth trajectory of the company will continue and foreseeing increase in CV Sales in Q1 and subsequent quarters. The Company had expanded its customer base in Auto and Non-Auto segment and determined to diversify in to EV product portfolio to improve

topline and operational efficiency. With the upturn of economy supported by several emerging growth drivers and facilitating policies of the government the automotive OEMs witnessed higher pace growth than moderate. Overall India's automotive industry is set for an upward trajectory, with strong growth potential in production, sales, and exports. As the nation transitions towards electric vehicles, the industry's economic impact will further expand, solidifying India's position as a global automotive powerhouse. The ongoing shift in consumer preferences, increasing exports, and government support are key drivers in shaping the future of the industry. As the automotive market continues to evolve, India's strategic focus on innovation, infrastructure development, and sustainable practices will not only boost its economic growth but also position the country as a leading player in the international automotive arena by 2030 and beyond.

Your Company with an emphasis on "Turnaround, Stability and Growth," is poised to continue delivering consistent results for years to come. This motto reflects a renewed focus on driving growth while also ensuring that the company remains stable and sustainable over time. Achieving these goals will require ongoing effort and adaptability in response to changing market conditions. However, with a clear vision and strong leadership at all levels of the organization, there is every reason to believe that the company can continue thriving well into the future.

The remarkable turnaround since FY 2021-22 is a testament to the Company's resilience and determination to deliver value for its stakeholders. Achieving a revenue of ₹ 646.59 Crores, clearly reflects the state of the Company's affairs on an upward trajectory.

Moreover, reducing overall long-term debt burden during this period demonstrates smart fiscal planning and strategic decision-making by the company leadership – something that bodes well for future growth prospects. Further focused efforts in enhancing the operational and financial performance by way of cost savings, consolidation of manufacturing facilities, supply chain streamline, adding new revenue streams, ensuring timely delivery of products that meet clients as well as industry standards of quality, and an upsurge in the demand of automobile succored the Company to move in its turnaround journey.

As we look ahead, these factors instill confidence that the Company will continue focusing on motto

"Turnaround, Stability and Growth" through delivering consistent performance metrics in years to come while keeping shareholders' interests at heart.

Highlights of performance and other affairs are discussed in more detail in the Management Discussion and Analysis Report attached after this report which is integral part of this Report

## 5. Electric Bicycles Journey & New Ventures

Electric bicycles are revolutionizing transportation with their numerous benefits. These eco-friendly modes of transportation not only help reduce carbon emissions but also provide a fun and efficient way to get around. Your Company are among the company that has jumped on board with this trend and is utilizing its own existing capacities to manufacture E-Cycles with the support of Autoline Design Software Limited (ADSL), a wholly-owned subsidiary in design, engineering, and development. With this new venture, Autoline E-Mobility Private Limited (AEMPL) a wholly owned subsidiary of your Company have developed eight variants of E- Cycles in various frame sizes with the brand name "e-speed."

When it comes to ride safely and to keep body strong and healthy, an electric bike is always a better option on the road in low speed segment than an electric scooter and post ban on low-speed scooter later in 2<sup>nd</sup> half of the year, the demand is surged for e-cycles and the sales numbers are getting increased.

The demand for eco-friendly transportation is higher than ever, and the Company has already stepped in this constantly growing market and is well shaped to meet the challenge.

During the year under review, the Company have launched 4 new models i.e., 27.5 Inch Unisex, 26 Inches Cargo & Frame with integrated battery (front and rear wheel drives) - fully designed, developed and manufactured at the Autoline Unit of the Company, sold and serviced at PAN India network along with e-commerce presence.

These models include a 27.5 Inch Unisex that's perfect for daily commuting or leisurely rides through the park. There's also a cargo version with an integrated battery that features both front and rear-wheel drives. This model is ideal for those who need to carry groceries or other items while still enjoying the benefits of an electric-powered ride. The Company has also made sure these bikes are widely accessible by selling and servicing them through PAN India dealer network

along with an e-commerce presence by making them available on Amazon, Flipkart And all four models have been tested and certified by ARAI Pune and are eligible for the Delhi Govt subsidy scheme

This commitment to quality reflects in every aspect of these electric bicycles' design – from their durable frames to their efficient batteries – making them a

reliable choice for anyone looking to switch over to eco-friendly transport options!

Your company is also working on the development of an indigenized range of electric two-wheeler products and is in the pipeline for launch. The said will be with a new brand name which is under the process of registration and trademarking with the authorities.



## 6. The Railways and Locomotive Business Update

The Company has taken part in multiple IRCTC tenders for around 40 products, including sliding doors, stainless steel end walls, water tanks, FIAT bogie frames, side wall assemblies, etc. and anticipates receiving orders in FY23-24. The Company had formed LLP in 2021 to explore the potential for the railway business. On research, it was observed that due to the company's historical presence of two decades, the railway business with the company is more advantageous than doing so with a new LLP. Further it found easy to get business in long standing and well set-up Company compare to the new comer. Therefore, the Company decided to close the LLP and the same was closed by the Company during the year.

## 7. Relocation & Expansion of Hosur unit

To expand its capacity and attract more business from Ashok Leyland and Daimler, the Company had moved its manufacturing facility to Hosur, Tamil Nadu earlier in previous year. The relocated facility immediately upon shifting had started operating and serving the consumers with the products. Moving has improved mobility, cut costs, and increased the effectiveness of CV operations.

In order to exploit the EV market on a wide scale, the Company moved the current rented facility in Hosur,

Tamil Nadu, to larger premises during the year under review and commenced the production and expecting to show increased volume in the year 2023-24 onwards.

## 8. Raising of funds through Preferential Allotment

The Board of Directors at its meeting held on March 16, 2021, had approved the raising of funds by way of issuance of 10,00,000 Warrants at a price of ₹ 45/- each. Post receipt of required approvals for issuance of aforesaid securities the Board in its meeting held on June 2 and 3, 2021 had allotted 10,00,000 Warrants to the Promoters at a price of ₹ 45/- each upon receipt of 25% amount upfront.

Upon receipt of balance amount of 75% of the issue price, 10,00,000 warrants allotted to Promoters were converted into Equity Shares on June 1, 2022. Consequent to the issuance of new equity shares to the promoters, the paid-up share capital of the Company stands increased from 37,96,31,640 comprising of 3,79,63,164 Equity Shares of ₹ 10/- each, to 38,96,31,640 comprising of 3,89,63,164 Equity Shares of ₹ 10/- each, fully paid.

The funds raised through this Preferential Issue were utilized for repayment of loans, working capital requirements and other general corporate purposes.



## 9. New set-up at Sanand

Your Company had received an offer from Tata Motors Ltd. (“TML”) to set up a facility at Sanand, Gujarat to cater the need of automobile parts and components for Tata Motors. The said new facility has to be established on the Plot admeasuring 20000 sq. mtr. to be allotted by Gujarat Industrial Development Corporation (“GIDC”). Your Company post-pandemic grabbed every opportunity in the automotive and non-automotive sectors and accepted the business proposition with Tata Motors Ltd. and Non-Tata Motors Limited customers in order to continue growing with the market.

You Board of Directors at its meeting held on June 1, 2023 considered the proposal and approved the setting up of a new plant/facility on the plot to be allotted by GIDC at Sanand, Gujrat to expand the business and retain the existing business with OEM and grow the Company’s operations.

Your Board of Directors estimated the fund requirements to the tune of ₹ 65 Cr. towards capital expenditure for acquiring the land, plant and machinery and other long term expenditure. Tata Motors Financial Solutions Limited (“TMFSL”) a financing arms of TML has in-principally agreed to finance the required amount and support the Company for aforesaid set-up.

## 10. Management Discussion and Analysis Report

Management Discussion and Analysis Report prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part this Directors’ Report.

## 11. Subsidiaries and their Performance:

### i. Autoline Industrial Parks Limited (“AIPL”):

AIPL is engaged in land acquisition and development activities and has foreign investment. It owns and possess 113.02 acres of land parcel at Mhalunge, Chakan, Pune and land area of 102.50 acres is approved for setting up of Township under the Integrated Township Project (“ITP”) of Government of Maharashtra. AIPL has received Master Plan approval under the Integrated Township Project Regulations from Pune Metropolitan Regional Development Authority (PMRDA). The land, surrounded by Auto cluster, engineering and other industries, has magnificent potential.

During the period under review, AIPL has not contributed to the performance of the Company since there is no other activity in AIPL except to monetize/develop the land which is under consideration.

As posted in the last Annual Report on land monetization project, the Company was in discussion with House of Hiranandani (HoH), Mumbai based developer (“Developer”) for the development of logistics/industrial parks on the land of apprx. 100 acres owned by AIPL, however, both parties had cancelled the discussion due to procedural and technical stalemate. During the year the Company was engaged in conversation with the ESR Advisers India Private Limited (“ESR”) for the Sale of their Equity Stake in Autoline Industrial Parks Limited, a Material Subsidiary of the Company. However, the said discussion could not have proceeded on account of technical reasons and it has been discontinued.

### Sale of Investments in AIPL

The Company is holding 43.26% stake in AIPL and together with its wholly owned subsidiary Autoline Design Software Ltd. (“ADSL”) hold 44.78% Equity Shares. In the course of exploring various options the management of the company identified a potential buyer MNSC Realty & Developers Pvt. Ltd. for its stake sale and the Company have entered into a Memorandum of Understanding (MoU) with MNSC Realty & Developers Pvt. Ltd on April 28, 2023. Further discussion are going on to conclude the definitive agreement between the parties.

### ii. Autoline Design Software Limited (“ADSL”):

As a wholly owned subsidiary of Autoline, ADSL has become a leading provider of engineering and designing software services to the Company. With their multifaceted approach to engineering solutions, they are able to provide customers with one-stop complete solutions for all their needs. From design concepts to rapid prototype manufacturing, ADSL is always ready to deliver quick and efficient results.

The engineering and design segment is an ever-growing industry with enormous potential. The demand for innovative designs and efficient solutions is constantly increasing in all the sectors and the uptick in Auto sector will open up tremendous demands for these kinds

of Services and ADSL is well posed to grab these opportunities.

ADSL has been actively working on expanding its customer base by offering offshore and onsite engineering services and high-quality business solutions that cater to various industries such as automotive, railway, defense, white goods, consumer electronics etc. Their extensive experience in these sectors means that they can provide valuable insights into the latest trends and innovations within those fields.

ADSL's commitment towards innovation and excellence has allowed them to stand out as a reliable partner for any company looking for top-notch engineering software services. As they continue exploring new opportunities in emerging markets like E-vehicles or GPS systems while also maintaining strong partnerships with well-known OEMs like Ashok Leyland or Tata Motors it seems clear that there will be many exciting developments ahead!

One such successful endeavor by ADSL was the assistance in manufacturing and launch of E-cycles in the market. With their design support and technical assistance, ADSL helped the company to manufacture electric cycles that met high-quality standards while being cost-effective. ADSL's experience also extends to testing and validation services for major automobile manufacturers like Ashok Leyland, Tata Motors as well as Autoline among others. This proves that ADSL's capabilities go beyond just designing software; they are also proficient in delivering comprehensive services related to engineering solutions.

During the year under review, ADSL achieved a revenue of ₹ 3.70 Crores (12.8% increase compared to previous year) with a net profit of ₹ 93.21 Lakhs (before exceptional items and Tax). During the year under review despite the fact that all revenue is generated from business performed for the Company, it provides the comfort of in-house availability of engineering design capabilities to the Company's customers, directly contributing to the Company's performance.

### iii. Autoline E-Mobility Private Limited ("AEMPL"):

By releasing E-cycle onto the market, the Company has entered directly in the EV industry. On March 4, 2022, the Company established

one specific subsidiary, Autoline E-Mobility Private Limited, taking into account potential opportunities in this industry and E-cycle segment of the Company is being carried on under this Company.

During the year under review, AEMPL achieved a revenue of ₹ 1.20 Crores with a net profit of ₹ 7.27 Lakhs and to that extent it contributed to the consolidated results of the Company.

### iv. Koderat Investments Limited, Cyprus – (Koderat):

Your company had acquired 100% stake in Koderat Investments Limited in September, 2008 ("Koderat") a Company incorporated and existing under the laws of Cyprus; acting as a Special Purpose Vehicle (SPV). Further "Koderat" invested funds in "SZ Design Srl" and "Zagato Srl" Italian limited liability companies, Milan and acquired 49% equity share capital of said Italian companies. These companies were into the business of developing, designing and providing engineering services.

The net worth of SZ Design Srl has been eroded due to various write-offs. SZ Design Srl has been declared bankrupt by the Tribunal of Milan on January 2, 2015 and the judiciary receiver has been appointed by the Bankruptcy Tribunal and the investment in this Company was impaired to Nil as not realizable. The net assets value of Zagato Srl has turned negative due to incurring losses in previous years and it was declared voluntarily in liquidation. The Shareholders' meeting of Zagato Srl has resolved to exclude Koderat as a shareholder. The resolution has been registered in the Registrar office, Cyprus and now Koderat is no more shareholder of Zagato Srl. Koderat is a Special Purpose Vehicle ("SPV") and due to above-mentioned reasons, it has not contributed directly to the performance of the Company during the year under review.

## 12. Subsidiaries' Financials

A Report on the performance and financial position of each of the subsidiaries of the Company pursuant to Rule 8 (1) read with Rule 5 of Companies (Accounts) Rules, 2014 in Form AOC-1 is annexed as "Annexure -A" and forms a part of this Annual Report.

## 13. Extract of Annual Return

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2022-23 is available

on Company's website at the following link: <http://www.autolineind.com/annual-reports/>

#### 14. Directors and Key Managerial Personnel

The Board of Directors of your Company is duly constituted with an adequate mix and composition of executive, non-executive and independent directors in accordance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

The Board of the Company at its meeting held on January 30, 2021 appointed Ms. Rajashri Sai (DIN: 07112541) as an Independent Woman Director effective from February 1, 2021 for three years to fulfill the requirement of Woman Director. Her term of office will expire on January 31, 2024. The Nomination & Remuneration Committee at its meeting held on May 18, 2023 recommended for reappointment of Ms. Rajashri Sai for her second term of five years and her reappointment for a further period of 5 years is being placed at the 27<sup>th</sup> Annual General Meeting of the members of the Company for their approval.

In accordance with the provisions of the Companies Act, 2013 and Company's Articles of Association, Mr. Sudhir Mungase (DIN: 00006754), Wholetime Director, is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, he has offered himself for re-appointment at the upcoming Annual General Meeting.

#### 15. Directors Responsibility Statement

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- i) In the preparation of the Annual Accounts for the year ended March 31, 2023, the applicable Accounting Standards have been followed along with proper explanations relating to material departures.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2023 and of the profit of the Company for that period.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the

Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- iv) The Directors have prepared the annual accounts on a going concern basis.
- v) The directors have laid down internal financial controls to be followed by the Company and such controls are adequate and are operating effectively.
- vi) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively, which are being further strengthened.

#### 16. Number of Board Meetings

The Board of Directors duly met Six (6) times in the year under review. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 time to time.

#### 17. Independent Directors

Mr. Prakash Nimbalkar (DIN: 00109947), Mr. Vijay Thanawala (DIN: 00001974) and Ms. Rajashri Sai (DIN: 07112541) are the Independent Directors on the Board of the Company and have remained independent throughout the year as contemplated in section 149(6) of the Companies Act, 2013.

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 ("Act") and Clause 16 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and that they are not debarred from holding the office of director by virtue of any SEBI order. Further, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

The Company familiarizes the Independent Directors through various Programmes with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such familiarisation programmes are put on the Company's website and can be accessed at the link <http://www.autolineind.com/code-of-conduct-policies>

## 18. Performance Evaluation

Pursuant to Section 178 (2) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board who were evaluated on various parameters such as level of engagement, contribution and independence of judgment as per the criteria formulated by Nomination & Remuneration Committee; thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board excluding the director being evaluated. The performance was evaluated on the basis of 1-5 scores (Min: 1, Max: 5) each on the basis above parameters.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. Annual evaluation of the performance of the Board and its committees such as Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee were carried out. The Directors expressed their satisfaction with the evaluation process.

## 19. Nomination & Remuneration Committee and Company's Policy on Directors' Appointment and Remuneration

Your Company has duly established a Nomination and Remuneration Committee. The Committee has presented to the Board the policy with respect to the appointment of directors including criteria for determining qualifications, positive attributes, independence of directors, remuneration for the directors, key managerial personnel and other senior employees etc. and thereafter the Board approved the same.

In compliance with Section 178(4) of the Companies Act, 2013 and the rules made thereunder, the salient features of the Nomination and Remuneration Policy of the Company and its web link are given as under.

The Nomination and Remuneration Policy of the company is framed in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The Policy extensively provides for the identification of the persons who are qualified to become Directors of the Board and those who may be appointed in the Senior Management in accordance

with the criteria laid down and recommend to the Board their appointment. The policy also provides that the Nomination and Remuneration Committee shall ensure that the level and composition of remuneration is reasonable and is sufficient to attract, retain and motivate Directors and the employees of senior management.

The Policy provides that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives. The policy also has the unique feature of providing Directors, Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

The complete policy is available at <http://www.autolineind.com/code-of-conduct-policies/>

The Non-executive Directors have no pecuniary relationship or transactions with the Company. Further, the Company makes no payments to the Non-executive Directors other than sitting fees which is in accordance with the provisions of the Companies Act, 2013 and the Rules made there under.

The Nomination and Remuneration Committee in its meeting held on May 18, 2023 recommended to pay remuneration by way of commission to the Non-executive Directors for the services rendered to the Company in previous many years as the Company has not paid remuneration in past many years other than sitting fees to the Independent Directors due to incurring of losses.

## 20. Risk Management Policy

Your Directors have formed a Risk Management Committee chaired by Mr. Prakash Nimbalkar (DIN: 00109947). During the year your company has reconstituted the committee and added management members in order to strengthen the committee's oversight of the risk management process, ensure that the company is taking the proper steps to mitigate risks, and enhance the overall risk management framework of the company. In the company's Corporate Governance Report, a detailed composition is provided. In order to reflect the most recent risk management best practices and standards, your company has updated its risk management policy. To address all facets of risk management, the amended policy has been made more thorough. The policy has been expanded, made more clear, and is now enforceable, all



of which will make it easier to verify that the business is taking the proper precautions to reduce risks and safeguard its assets.

The Management has established sufficient and efficient procedures and resources for risk management. The Risk Management Committee's reorganization is a critical step in strengthening the company's risk management structure. With the addition of management representatives across the multidisciplinary level such as operations, Finance, Human assets development, the committee has the knowledge and experience required to efficiently supervise the company's risk management initiatives. The committee is committed to ensuring that the company is taking the appropriate measures to mitigate risks

Your Company has not yet identified any risk factors that could imperil its survival, with the exception of the general, economic, and business risks stated under the para-Risks and Mitigation Strategies in Management Discussion and Analysis Report, which is a part of this Annual Report.

## 21. Internal Control Systems and their Adequacy

According to the size, scope, and complexity of its operations, your company has an internal control system. The Internal Auditors / Audit Department monitors and evaluates the organization's adherence to operational systems, accounting procedures, and policies at all of the Company and its Subsidiaries' locations, as well as the effectiveness and sufficiency of internal control systems. Based on the report from the internal audit function and internal auditors, the Board has advised the functional heads and process owners to take corrective action in order to improve the controls.

## 22. Corporate Social Responsibility (CSR)

The CSR Committee was established by the Company, and the Corporate Governance Report of the Company provides details of its constitution. Because your company has suffered losses over the past few fiscal years, Section 135 of the Companies Act of 2013 does not apply to its CSR operations hence the Company has not carried out CSR activities in accordance with Section 135 of the Companies Act 2013 however, your company has been actively taking part in CSR initiatives on a volunteer basis, such as planting trees, visiting orphanages, helping those in need, etc.

## 23. Audit Committee

Your company has formulated an Audit Committee, the members of which are listed in the Corporate Governance report along with other information.

The Board regularly receives recommendations from the Audit Committee. The Board carefully considers those suggestions. However, during the year under review, there have not been any occasions where the Audit Committee's recommendations were not followed by the Board.

## 24. Auditors

### STATUTORY AUDITORS

At their 26<sup>th</sup> Annual General Meeting on September 29, 2022, the members of the Company appointed M/s. Sharp & Tannan Associates, Chartered Accountants, as the Company's Statutory Auditors for a term of 5 years beginning after the conclusion of this 26<sup>th</sup> Annual General Meeting and ending on conclusion of the 31<sup>st</sup> Annual General Meeting.

### Auditors' Report:

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in his Report.

### Secretarial Standards

The Board confirms compliance of the provisions of the Secretarial Standards notified by the Institute of Company Secretaries of India (ICSI).

### SECRETARIAL AUDITORS

Your Board engaged M/s. KANJ & Co. LLP, Company Secretaries, Pune, a firm of Practising Company Secretaries, for the purposes of Secretarial Audit for the year ended March 31, 2023, in accordance with Section 204 of the Companies Act, 2013, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Secretarial Audit Report in terms of Section 204 (1) is enclosed as "Annexure B".

The Secretarial Auditors in their Secretarial Audit Report have observed that:

Foreign Exchange Management Act, 1999

The Company has not filed Annual Performance Report of its wholly owned subsidiary Koderat Investments

Limited, Cyprus for the financial years 2018-19, 2019-20 & 2020-21. Thus to that extent it has not complied with Regulation 15 of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000.

*Comments by the Board of Directors: Koderat Investment Limited is acting as special purpose vehicle and acquired 49% stake of "SZ Design SRL" and "Zagato SRL" Italian Limited Liability companies and these companies are into liquidation/ bankruptcy stage and the audited accounts of these companies for the relevant period were not released and made available to us and therefore the Audit of Accounts for Koderat Investment Limited for the financial years 2018-19, 2019-20, 2020-21 & 2021-22 is yet not completed and Annual Performance Report has not filed. The Company will file the same immediately after receipt of Audited Accounts of Koderat Investment Limited.*

#### INTERNAL AUDITORS

Since the previous financial year, Moore Stephens Singhi Advisors LLP, Chartered Accountants in Mumbai, has served as the Company's internal auditor. The internal auditors carried out a thorough audit and looked at a number of things, such as related party transactions, inventory management, human resources and payroll, and so forth. They have provided solutions and remedial actions in order to improve overall effectiveness and efficiency in the pertinent domains.

#### 25. Details in Respect of frauds Reported by Auditors under Section 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Companies Act, 2013

#### 26. Vigil Mechanism / Whistle Blower Policy

A whistleblower policy (WBP) is a safeguard that your company has in place to address any instances of fraud and poor management. The Whistle Blower Policy's specifics are covered in the Corporate Governance Report and are also available on the company website.

#### 27. Loans, Guarantees and Investments by Company

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### 28. Deposits

Your Company has not accepted any deposits from the public falling within the ambit of Section 73 under chapter V of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

#### 29. Related Party Transactions

All related party transactions that entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their associates /relatives which may have a potential conflict with the interest of the Company at large.

The Related Party Transactions were approved by the Audit Committee and also by the Board, wherever necessary. The Audit Committee has granted omnibus approval for related party transactions that were repetitive in nature by following the requirements as laid down in the Companies Act and Rules made thereunder and Clause 23 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A quarterly statement of Related Party Transactions is being placed before the Audit Committee for review and noting.

The Company has not entered into any transactions with related parties during the year under review which require reporting in Form AOC-2 in terms of Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The policy on Related Party Transactions and the Policy on Determination of Material Subsidiaries as approved by the Board is also uploaded on your Company's website.

#### 30. Material Changes and Commitments Occurred during April 1, 2023 till the date of this report which would affect the Financial Position of your Company.

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 this Report.

#### OTHER MATTERS

- i. No significant or material orders were passed by the Regulators or Courts or Tribunals which will

impact the going concern status and Company's operations in future.

- ii. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) of the Company and its associates are covered under this policy.

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.

- iii. The Company has not issued Equity Shares with differential rights as to Dividend, Voting or Otherwise.
- iv. The Company has not issued shares (including Sweat Equity Shares) to Employees of the Company under any Scheme.
- v. There has not been any change in the nature of business of the Company during the year under review.
- vi. A disclosure, as to whether maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained – The business of the company does not fall under any of the sector mentioned in The Companies (Cost Records and Audit) Rules, 2014 read with the Section 148 of the Companies Act, 2013. Hence maintenance of cost record is not applicable to the company
- vii. There is no application made or any proceeding pending under Insolvency and Bankruptcy Code against the Company during the year under review.
- viii. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof. – Not applicable.

### 31. Corporate Governance

A special section on the corporate governance practices used by your company is included in this annual report in accordance with the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, together with a certificate from the Practising Company Secretary attesting to compliance.

The Board has established a Code of Conduct for all Board Members and Senior Management of the Company in accordance with the SEBI Regulations. The Company's website has a copy of the Code of Conduct posted there. Senior Management Personnel and all Board Members have confirmed conformity with the Code.

### 32. Consolidated Financial Statements

The Consolidated Financial Statements of your Company prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable and forms part of this Annual Report.

### 33. Secretarial Standards

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

### 34. Conservation of Energy, Technological Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure-D".

### 35. Particulars of Employees:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as under:

Sr. No.	Particulars	
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23	<b>Name of the Director</b>
		<b>Ratio</b>
		Mr. Shivaji Akhade (DIN: 00006755)
		Mr. Sudhir Mungase (DIN: 00006754)
(ii)	Percentage increase in remuneration of each director, CEO, CFO and CS in the financial year 2022-23.	<b>Name of the Director &amp; KMPs</b>
		<b>% Increase</b>
		Mr. Shivaji T Akhade
		Mr. Sudhir Mungase
		Mr. Venugopal Pendyala (CFO)
		Ms. Shilpa Walunj (CS)
(iii)	Percentage increase in the median remuneration of employees in the financial year 2022-23	10
(iv)	Number of permanent employees on the rolls of Company (average number);	829
(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.	Average 14% increment was given to employees except Key managerial personnel and due to financial constraints no annual increments was given to Executive Directors during the year 2022-23.
		Percentage increase 10% in the median remuneration of employees in the financial year 2022-23 is due to increment as well as reduction in the number of workers of low pay scale.
(vi)	Affirmation	The Board affirms that the remuneration paid to the Directors and other employees is as per the remuneration policy of the Company.

**Information as per Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

A statement containing particulars of top ten employees in terms of remuneration drawn as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in an annexure forming part of this Report. In terms of Section 136 of the Act, the Annual Report and Financial Statements are being sent to the Members excluding the aforesaid annexure. The said annexure is available for inspection at the Registered Office of the Company during business hours. Any member interested in obtaining said annexure may write email to [investorservices@autolineind.com](mailto:investorservices@autolineind.com).

The name of every employee whose remuneration aggregated to ₹ 1.02 Crores per annum or ₹ 8.50 lakhs per month during FY 2022-23: **NIL**

During the year under review, there is no employee employed throughout the financial year or part thereof, was in receipt of remuneration which in the aggregate, or at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.



**Shareholding of Directors as on March 31, 2023**

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>No. of Equity Shares</b>	<b>Percentage Holding</b>
1	Mr. Prakash Nimbalkar	00109947	6700	0.02
2	Mr. Shivaji Akhade	00006755	5849981	15.01
3	Mr. Sudhir Mungase	00006754	4323431	11.10
4	Mr. Sridhar Ramachandran	07706213	2000	0.01
5	CA Vijay Thanawala	00001974	2525	0.01
6	Ms. Rajashri Sai	07112541	NIL	NIL

**36. Inter Se Relationship Between Directors**

Mr. Sudhir Mungase (Whole-time Director) and Mr. Shivaji Akhade (Managing Director) are related to each other and Mr. Sudhir Mungase is a brother-in-law of Mr. Shivaji Akhade except for this there is no inter se relationships between the Directors.

Tata Motors Finance Solutions Limited for their ongoing assistance and support during a very trying time for the Company. The company's shareholders' support and trust are also gratefully acknowledged by the directors. The directors also want to publicly express their sincere gratitude for the unwavering dedication and dedicated work of all of the company's workers & staff.

**37. Acknowledgements**

Your Directors express their sincere appreciation for the support and cooperation received from various Central and State Government Departments, Customers, Vendors, and Lenders, particularly Bank of Baroda, J M Financial Asset Reconstruction Company Limited, and

Pune, June 01, 2023

**For and on Behalf of the Board**

**Prakash Nimbalkar**  
CHAIRMAN  
DIN: 00109947

## Annexure – A

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ Joint ventures

## Part "A": Subsidiaries

1	Sl. No.	1	2	3	4
2	Name of the subsidiary	<b>Autoline Design Software Limited</b>	<b>Autoline E-Mobility Private Limited</b>	<b>Autoline Industrial Parks Limited</b>	<b>Koderat Investments Limited</b>
3	The date since when the subsidiary was acquired	14/04/2007	03/03/2022	31/08/2007	04/09/2008
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2022-23	2022-23	2022-23	2022-23
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	INR	EURO (Exchange Rate ₹ 89.60) As on March 31, 2023
6	Share capital	35537420	100000	791821140	1000
7	Reserves & surplus	(37964249)	605559	381267146	(236138)
8	Total Assets	85740396	102857689	1212194220	4571629
9	Total Liabilities	85740396	102857689	1212194220	4571629
10	Investments	33337000	Nil	Nil	Nil
11	Turnover	36982412	11980002	Nil	Nil
12	Profit before tax	(33624069)	726730	(10604955)	4036
13	Provision for tax (Deferred Tax Asset)	Nil	Nil	Nil	Nil
14	Profit after tax	(33624069)	726730	(10604955)	4036
15	Proposed Dividend	Nil	Nil	Nil	Nil
16	% of shareholding	100	100	43.26	100

Names of subsidiaries which are yet to commence operations: Nil

Names of subsidiaries which have been liquidated or sold during the year: Autoline Locomotive Parts LLP

## Part – "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013

related to Associate Companies and Joint Ventures: Nil

Names of Associates and Joint Ventures which are yet to commence operations: Nil

Names of Associates and Joint Ventures which have been liquidated or sold during the year : Nil

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**Shivaji Akhade**

Director & CEO

DIN: 00006755

**Sudhir Mungase**

Wholetime Director

DIN: 00006754

**Venugopal Pendyala**

Chief Financial Officer

**Shilpa Walunj**

Company Secretary

Mem No. A38259

Pune, June 01, 2023

**Annexure – B**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year Ended 31st March, 2023

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

To,  
The Members,  
**Autoline Industries Limited**  
Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan  
Taluka Khed, District - Pune, 410501

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Autoline Industries Limited (hereinafter called the Company) bearing CIN: L34300PN1996PLC104510. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Autoline Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023, generally 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 Autoline Industries Limited for the financial year ended on 31st March, 2023 according to the provisions of:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>i. The Companies Act, 2013 (the Act) and the rules made thereunder;</li> <li>ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;</li> <li>iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;</li> <li>iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (to the extent applicable)</li> </ul> | <ul style="list-style-type: none"> <li>v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-                             <ul style="list-style-type: none"> <li>a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;</li> <li>b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;</li> <li>c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable)</li> <li>d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable)</li> <li>e. 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;</li> <li>f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable) and</li> <li>g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable)</li> <li>h. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015</li> <li>i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018</li> </ul> </li> <li>vi. Since the Company is engaged in manufacture of Auto components and accessories thereof, there are no specific laws applicable to such sector.</li> </ul> |
|--|--|
- We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited.

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

### Foreign Exchange Management Act, 1999

The Company has not filed Annual Performance Report of its wholly owned subsidiary Koderat Investments Limited, Cyprus for the financial years 2018-19, 2019-20, 2020-21 & 2021-22. Thus, to that extent it has not complied with Regulation 15 of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2000 as replaced by Regulation 10 of Foreign Exchange Management (Overseas Investment) Regulations, 2022.

#### 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 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in

the said minutes there were no dissenting views expressed by any director in the meetings.

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.

The Company has duly filled the E-Forms with the Registrar of Companies, Ministry of Corporate Affairs, except for a few instances, where the forms were filed beyond prescribed time with payment of additional fees.

#### We further report that during the audit period

1. During the audit period the company has not initiated any actions such as Public/Right of shares / debentures/sweat equity, etc., Redemption / buy-back of securities, decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, Merger / amalgamation/ reconstruction, etc. and Foreign technical collaborations having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

For **KANJ & Co. LLP**  
Company Secretaries

**Sunil Nanal**

Partner

FCS No: 5977

CP. No: 2809

UDIN: F005977E000442591

Firm Unique Code: P2000MH005900

Peer Review Number: PR 1331/2021

Date: 1st June 2023

Place: Pune



**Annexure – C**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

For the Financial Year Ended 31st March, 2023

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

To,  
The Members,  
**Autoline Industrial Parks Limited**  
Survey Nos.313, 314, 320 to 323, Nanekarwadi, Chakan  
Taluka Khed, District - Pune, 410501

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Autoline Industrial Parks Limited (hereinafter called the Company) bearing CIN - U45209PN2007PLC130639. Secretarial Audit was conducted in a manner that provided us as reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Autoline Industrial Park Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has generally, during the audit period covering the financial year ended on 31st March, 2023 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 **Autoline Industrial Parks Limited** for the financial year ended on 31st March, 2023 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 thereunder (Not Applicable);
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (Not Applicable):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable)
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable)
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable)
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
- 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; (Not Applicable)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; (Not Applicable)

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

**We further report that subject to our observations:**

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 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in the said minutes there were no dissenting views expressed by any director in the meetings.

We further report that the systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines need further improvement considering the size and operations of the Company, including making adequate disclosures in the Directors' Report.

The company has duly filled the E-Forms with the Registrar of Companies, Ministry of Corporate Affairs except for a few instances, where the forms were filed beyond prescribed time with payment of additional fees.

**We further report that during the audit period:**

During the audit period the company has not initiated any actions such as Public/Preferential issue of shares / debentures/sweat equity, etc., Redemption / buy-back of securities, decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, Merger / amalgamation / reconstruction, etc. and Foreign technical collaborations having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

For **KANJ & Co. LLP**  
Company Secretaries

**Sunil Nanal**

Partner

FCS No: 5977

CP. No: 2809

UDIN: F005977E000902543

Firm Unique Code: P2000MH005900

Peer Review Number: PR 1331/2021

Date: 31st August 2023

Place: Pune

## Annexure – D

### (A) Conservation of Energy

**(i) The steps taken or impact on conservation of energy:**

Your Company is making continuous efforts towards optimum utilization of energy resources which have resulted in cost savings for the Company. Additionally, some of the initiatives taken for optimum use of energy, by the Company are as under:

1. For Natural light and ventilations, acrylic sheets and drum ventilators are installed in tool room.
2. During the year under review, the Company by attaining unity in PF Factor, has saved ₹ 44,42,336 /- MSEDCL also provides discount for attaining the same. Also, this has resulted in saving of maintenance expenditure on Motors, Cables and other equipment's.
3. The Company has replaced all the old light fixtures with Energy Efficient LED fittings at Assembly, Press Shop & Tooling areas. Due to the above, the Company has saved ₹ 22,654/- in FY 2022-23.
4. The Company has installed LED fixtures of 100 Watt in press shop, resulting into a savings of ₹ 2,41,643/- as compared to traditional lights.
5. The Company has installed Hybrid panels for reducing the electricity consumption, resulting in the optimization of the PF factor. The Maintaining of PF factor at the optimum level has brought enormous savings of approx. ₹ 40,42,336/- for the year ended as on 31<sup>st</sup> March 2023
6. The company has installed automatic, energy efficient water pumps in all manufacturing facilities
7. Curtains made up of plastic sheets are introduced for natural light as well as air Ventilation.
8. All employees are advised to use lights, fans, air conditioners, computer and its peripherals only when there is a need and strive to save Electricity by opening up windows and opt for natural light and ventilation.
9. Impact of above measures have resulted into reduction of energy consumption and has a

consequent impact on the cost of production of goods. The Company has significantly reduced consumption of electricity by maintaining unity in PF factor.

10. In procurement of all its engineering tools, materials and machines, the Company procures such Tools & machines which have a high BEE (Bureau of Energy Efficiency) Energy Rating, generally 3, 4 & 5 Stars

**(ii) The steps taken by the Company for utilizing alternate sources of energy:**

The Company is working to install the solar power unit as an alternative source of energy. Solar energy is cheaper than traditional source of energy and is clean with no environment and sound pollution. As a step towards alternate sources of energy, your Company has obtained quotations from renowned solar power producers and working on them. The proposals are being discussed for installation of solar power panel in its two units situated at Chakan.

The Company's Offices are structured such that natural lighting is used the maximum as compared to commercial source of electricity. Installation of transparent sheets at rooftop of factory to get natural light as well air ventilators provided at rooftop of factory for better ventilation.

**(iii) The capital investment on energy conservation equipment's:**

During the year under review the Company has not made investment on energy conservation equipment.

### (B) Technology Absorption

**(i) The efforts made towards technology absorption:**

During the period, your Company has made following efforts at its various plants:

1. The Board of your company has approved to procure 5 axis laser cutting machine for new business development and tool room. Many proto parts for R&D purpose are required for OEM these days. The setup of 5 axis laser cut machine at Autoline with existing heavy presses and massive tool room will attract lots of proto business to your Company.

2. To achieve the improvement in stroke the Company brought 50T fork lift to facilitate movement from machine to machine and supply of RM and WIP to presses.
3. Your Company has implemented Robotic Spot Weld with CNC turning fixture concept for new Programmes of Customers in production lines in order to optimise space, manpower and simultaneously meeting Customer Volumes.
4. Testing & Validation systems designed and developed are continued to be used for various types of Parking Brakes, which are manufactured in-house.

**(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**

1. Improved quality and customer satisfaction.
2. Minimize operator/ workmen fatigue.
3. Minimal damages to the components.
4. Reduction in Costs due to abolishing of redundant processes.

**(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

The Company has not imported technology during the last three years and therefore below details are not applicable.

- (a) The details of technology imported;
- (b) The year of import;

- (c) Whether the technology has been fully absorbed;
- (d) If not fully absorbed, areas where absorption has not taken place; and the reasons thereof;

**(iv) The expenditure incurred on Research and Development**

The Company has not incurred expenditure, capital or recurring, in Research and Development during the year under review. The product design and development activities are being carried out by the subsidiary Company in its regular course of business.

**(C) Foreign Exchange Earnings and Outgo**

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

Particulars	₹ in Lakhs	
	2022-23	2021-22
Foreign Exchange earned in terms of Actual Inflows	321.74	328.06
Foreign Exchange outgo in terms of Actual outflows	406.77	308.00

For and on Behalf of the Board

**Prakash Nimbalkar**  
CHAIRMAN  
DIN: 00109947

Pune, June 01, 2023



# Management Discussion & Analysis

As stipulated under the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion & Analysis forms an integral part of this Report.

## World Economy Overview

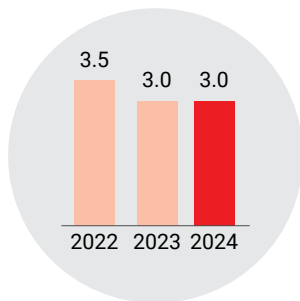
The global economy is performing better than anticipated and demonstrating signs of resilience in 2023 after experiencing high market volatility from multiple headwinds in 2022. Despite the economic uncertainties and underlying inflationary pressures, the outlook for the global economy seems less gloomy in 2023. There is now a sense of optimism that inflation is gradually decreasing and acute stress in the banking sector had receded. Global headline inflation is expected to decrease from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024. Moreover, the rebounding of China's

economy, improved functioning of supply chains, and the decrease in energy and food prices indicate an improvement in economic activity for 2023.

According to the International Monetary Fund (IMF), the global GDP increased by 3.4% in 2022 and is expected to grow at 3.0% in both 2023 and 2024. The growth of Advanced Economies (AEs) is expected to decline from 2.7% in 2022 to 1.5% in 2023 and 1.4% in 2024. Economic prospects for Emerging Market and Developing Economies (EMDEs) are on average stronger than for Advanced Economies. The EMDEs grew at 4.0% in 2022 and are expected to grow at 4.0% in 2023 and 4.1% in 2024. Growth in emerging and developing Asia is on track to rise from 4.5% in 2022 to 5.3% in 2023. The growth will be predominantly driven by the buoyant outlook for China and India.

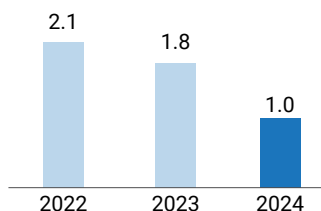
## GROWTH PROJECTIONS BY REGION

### GLOBAL GROWTH

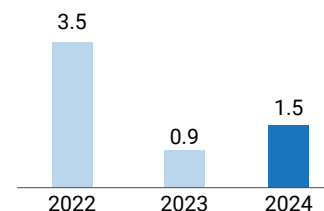


(Real GDP growth, percent)

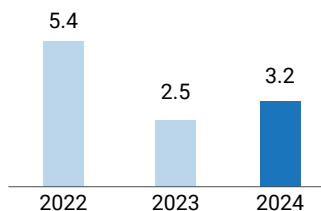
### UNITED STATES



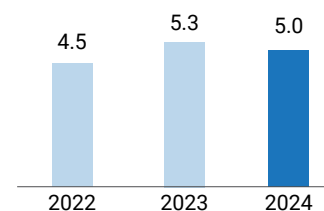
### EURO AREA



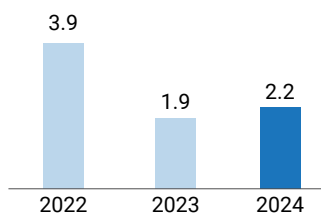
### MIDDLE EAST & CENTRAL ASIA



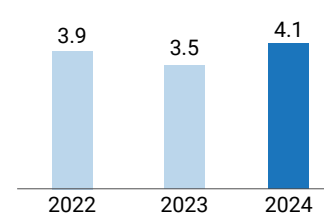
### EMERGING & DEVELOPING ASIA



### LATIN AMERICA & THE CARIBBEAN



### SUB-SAHARAN AFRICA



Source: IMF, World Economic Outlook, July 2023

Notice: Order of bars for each group indicates (left to right) 2022, 2023 projections and 2024 projections

## Indian Economy Overview

The Indian economy is relatively insulated from global spillovers and remains a 'bright spot' in the world economy. It continues to be among the fastest growing economies in the world. India's real GDP growth is pegged at 7.2% in FY 2022-23 as against 9.1% in FY 2021-22 and reflects robust domestic consumption and lesser dependence on global demand. The real GDP (at Constant 2011-12 prices) in FY 2022-23 is estimated to value at ₹ 160.06 lakh crore, as against the First Revised Estimated GDP of ₹ 149.26 lakh crore in FY 2021-22. The Gross Value Added (GVA) grew at 7% in FY 2022-23 as against 8.8% in the previous year. The accelerated pace of economic reforms has led to higher and sustainable growth of the Indian economy and strengthened its position in the world.

Despite the weakening external demand, the merchandise exports have registered the highest-ever annual exports of US\$ 447.46 billion with 6.03% growth during FY 2022-23 surpassing the record exports of US\$ 422 billion in FY 2021-22. India's IIP growth of 5.1% in FY 2022-23 shows modest growth in the industrial sector. Further, following the softening of global commodity prices, and successive hikes in the policy repo rate by 250 basis points in FY 2022-23 by the Reserve Bank of India (RBI), the consumer price index (CPI) inflation decreased to 4.25% (provisional) in May 2023 against 4.70% recorded in April 2023.

Urban and rural economies are the key pillars of inclusive growth in India. Domestic economic growth is gaining strength and further traction in 2023. Due to the rising consumer incomes and purchasing power, there is a surge in household consumption, boosting the demand for goods and services across industries. Several factors such as the Capital Expenditure of the Central Government in setting up of infrastructure, credit growth to the MSME sector and efficient inflation control measures by the RBI pushed the Indian economy for a vibrant future.

## Overall Outlook

India has a long runway for growth and the IMF projects the Indian economy to grow steadily at 6.1% in FY 2023-24 before rising to 6.3% in FY 2024-25. The economic growth is primarily driven by robust domestic consumption, abating of inflation, technology-enabled development, export growth, and revival in credit growth among others. Additionally, increased capital expenditure on infrastructure and the growth-enhancing policies such as the PLI schemes, 'Make in India' and 'Atmanirbhar Bharat' will strengthen the infrastructural and manufacturing base, lead to higher

productivity, promote Indian products in the global markets and build a strong foundation for economic growth. With its strong fundamentals, massive demographic strengths, and multiple growth levers in place, the Indian economy is better positioned to navigate global headwinds in FY 2023-24 and sustain the growth momentum in the long term.

## Indian Auto and Auto Component Industry

India's automobile and auto component industry is one of the critical drivers of India's economic growth. The Commercial vehicle market (MHCV and LCV) in India grew by 34.3% YoY in total industry volumes to 962,468 units from 716,566 units. The Passenger Vehicle segment, which includes passenger cars, vans and utility vehicles, registered a growth of 25%. The turnover of the industry grew 34.8% to US\$ 33.8 billion during April-September 2022 compared to the first half of the previous year. According to the Automotive Component Manufacturers Association of India (ACMA) forecast, the Indian automotive components industry is likely to maintain its growth trajectory and is expected to grow at 10-15% in FY 2023-24, driven by both domestic and export market demand despite the uncertainties in major markets of the USA and Europe. The auto component industry is projected to record US\$ 200 billion in revenue by 2026 and exports of auto components are expected to reach US\$ 30 billion by 2026.

The Indian automotive industry has seen a healthy revival in FY 2022-23, aided by a recovery in economic activities, global supply rebalancing and increased mobility. The industry is benefiting from new tailwinds, such as global supply rebalancing, strong domestic demand, and the government's strong push for domestic manufacturing. According to the Society of Indian Automobile Manufacturers (SIAM), the total automobile production increased to 25.93 million units in FY 2022-23 from 23.04 million units in FY 2021-22. The domestic sales for FY 2022-23 were 21.20 million units.

The Passenger Vehicles (PV) and Commercial Vehicles (CV) segments have recorded robust growth in volumes during FY 2022-23. Growth was driven by pent-up consumer demand, improved semiconductor chip supply, new launches and product upgrades from OEMs. The increase in sales of passenger vehicles in FY 2022-23 is strategically vital for Autoline Industries Ltd., considering the ongoing setup of its new manufacturing facility at Sanand, Gujarat.

Further, India's electric vehicle (EV) industry recorded robust growth with 1.17 million unit sales in FY 2022-23, aided by subsidies offered by the government and growing penetration of electric vehicles across segments.

### Automobile Production Trends

(In Numbers)

Category	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Passenger Vehicles	40,20,267	40,28,471	34,24,564	30,62,280	36,50,698	45,78,639
Commercial Vehicles	8,95,448	11,12,405	7,56,725	6,24,939	8,05,527	10,35,626
Three-Wheelers	10,22,181	12,68,833	11,32,982	6,14,613	7,58,069	8,55,696
Two-Wheelers	2,31,54,838	2,44,99,777	2,10,32,927	1,83,49,941	1,78,21,111	1,94,59,009
Quadricycle	1,713	5,388	6,095	3,836	4,061	2,897
<b>Grand Total</b>	<b>2,90,94,447</b>	<b>3,09,14,874</b>	<b>2,63,53,293</b>	<b>2,26,55,609</b>	<b>2,30,40,066</b>	<b>2,59,31,867</b>

(Source: Society of Indian Automobile Manufacturers)

### Automobile Domestic Sales Trends

(In Numbers)

Category	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Passenger Vehicles	32,88,581	33,77,389	27,73,519	27,11,457	30,69,523	38,90,114
Commercial Vehicles	8,56,919	10,07,311	7,17,593	5,68,559	7,16,566	9,62,468
Three-Wheelers	6,35,998	7,01,005	6,37,065	2,19,446	2,61,385	4,88,768
Two-Wheelers	2,02,00,117	2,11,79,847	1,74,16,432	1,51,20,783	1,35,70,008	1,58,62,087
Quadricycle	0	627	942	-12	124	725
<b>Grand Total</b>	<b>2,49,81,312</b>	<b>2,62,66,179</b>	<b>2,15,45,551</b>	<b>1,86,20,233</b>	<b>1,76,17,606</b>	<b>2,12,04,162</b>

(Source: Society of Indian Automobile Manufacturers)

Having witnessed a strong comeback from the COVID-led downturn, the Indian automotive industry is setting out on a journey with hopes for sustained growth momentum in 2023 amid the challenges such as high input costs, soaring fuel prices, higher interest rates, inflation, and new emission and safety norms. Factors such as sales of automobiles on digital platforms, wide availability of credit and financing options, population growth, integration of wireless technology in cars, and popularity of electric vehicles (EVs) will spur the growth of the automotive industry.

### Government Initiatives and Achievements

The government has been taking proactive measures, including the 'Make in India', Production Linked Incentive (PLI) scheme, Foreign Trade Policy (FTP), and schemes such as Advance Authorization, Export Promotion Capital Goods Scheme, etc. to boost the local manufacturing ecosystem and exports. Further, the government allowed 100% FDI through the automatic route for the auto sector. The FDI inflow into the Indian automotive industry during the period April 2000 - March 2023 stood at US\$ 34.7 billion. The government's push to use rupees for international trade will also aid the growth in exports of automobiles and auto components. Further, an increased capital expenditure of ₹ 10 lakh crore on infrastructure development including road construction augurs well for the industry.

Some of the government's key initiatives to bolster the growth of the auto and auto component sector are listed below:

#### Production Linked Incentive (PLI) Scheme

The government approved the Production Linked Incentive (PLI) Scheme for the automobile and auto component industry to boost domestic manufacturing of Advanced Automotive Products (AAT) with a budgetary outlay of ₹ 25,938 crores. This scheme aims to overcome cost barriers, create economies of scale, build a robust supply chain in areas of AAT products, and attract investments in the automotive manufacturing value chain. A total of 115 companies had filed their application under this scheme. Out of 115, total 85 applicants (18 applicants under Champion OEM and 67 applicants under Component Champion) have been approved. Two OEM companies have been approved to be part of both schemes. The PLI scheme attracted a proposed investment of ₹ 67,690 crores as on December 2022. The government's push in the form of automotive PLI schemes to drive Indian manufacturers towards increased localization of advanced automotive technologies will not only propel the growth of the local EV market but also boost exports of such advanced components from India.

#### Vehicle Scrappage Policy (V-VMP)

The Voluntary Vehicle Scrappage Policy or Voluntary Vehicle Fleet Modernization Program (V-VMP) aims to remove unfit and polluting vehicles from Indian roads and replace them with new, modern and fuel-efficient vehicles. The Policy aims to de-register and scrap private vehicles older than 20 years and commercial vehicles over 15 years

if they fail a mandatory fitness test. The policy targets the voluntary scrapping of ~1 crore unfit vehicles strictly based on their fitness, irrespective of vehicle age. Phasing out unfit and polluting vehicles will aid in achieving a lower carbon footprint in the country. The scrappage policy is effective from April 1, 2023 for heavy commercial vehicles (HCVs). For other commercial vehicles and private vehicles, the policy will be effective from June 1, 2024.

The Union Budget for 2023-24 has laid special emphasis on vehicle scrapping policy by allocating adequate funds to scrap and replace old vehicles of both the Centre and state governments. The Centre has approved the scrapping of more than 9 lakh vehicles that are older than 15 years. According to the Minister of Road Transport and Highways (MoRTH), 51 lakh light motor vehicles (LMVs) are older than 20 years, 34 lakh LMVs are older than 15 years and 17 lakh medium and large commercial vehicles are older than 15 years. The implementation of the policy would provide lucrative opportunities for the automotive sector by boosting sales of vehicles including heavy and medium commercial vehicles and EVs for fleet modernization. Over 11,000 vehicles were scrapped till March 31, 2023. A total of 11,025 vehicles (7,750 private and 3,275 government vehicles) have been scrapped till March 31, 2023 by the registered vehicle scrapping facilities, and further 2.6 Lakhs vehicles are expected to be scrapped in FY 2024.

### Promotion of Electric Vehicles

The electric vehicle industry in India is picking pace with 100% FDI, new manufacturing hubs, higher incentives, and the government's push to improve charging infrastructure. EVs have increasingly become a preferred mode of transportation over internal combustion engine (ICE) vehicles due to enhanced energy security, reduced reliance on crude oil, better air quality, and lower greenhouse gas emissions. The government has reaffirmed its commitment to reduce carbon emissions and the transition to electric mobility and its mission for 30% EV penetration by 2030. Manufacturers of EVs and EV components are set to benefit from the exponential growth of the EV market.

In the Union Budget 2023-24, measures such as the elimination of customs duties on the import of capital goods and machinery used to manufacture lithium-ion cells

for batteries used in electric vehicles (EVs) will result in reduction in input costs and encourage domestic production of lithium-ion cells. The reduction in basic customs duty is expected to deepen value addition, promote exports, augment domestic manufacturing and reduce the prices of EVs and make them affordable for the middle class in the country. It will also ensure the Advance Cell Chemistry PLI scheme is well supported. Further, increased customs duty on imported vehicles, including electric models in semi-knocked down (SKD) and completely built unit (CBU) forms will encourage the OEMs to produce such vehicles domestically in India.

### FAME-II Scheme

The government has extended the Faster Adoption and Manufacturing of Electric and Hybrid Vehicles (FAME-II) scheme till 2024. The FAME scheme was launched in 2015 under the National Electric Mobility Mission Plan (NEMMP) to encourage electric and hybrid vehicle purchases by providing financial support. Phase-II (FAME-II) is a 3-year subsidy program, which aims at supporting the electrification of public and shared transportation: 7,090 electric buses, 5 lakh electric three-wheelers, 55,000 electric four-wheeler passenger cars (including Strong Hybrid) and 10 lakh electric two-wheelers. Under (FAME-II), total 7.43 lakh electric vehicles are incentivized.

The increasing adoption of electric vehicles (EVs) and hybrid models results in the growing need for EV infrastructure to support the EV demand. Under Phase-II of the FAME India Scheme, ₹ 1000 crore is allocated for the development of charging infrastructure. The Ministry of Heavy Industries has sanctioned 2,877 electric vehicle charging stations in 68 cities across 25 states/UTs. Further, 1576 charging stations across 9 Expressways and 16 Highways under Phase-II of the FAME initiative have also been sanctioned.

### Automotive Mission Plan (AMP)

The government's Automotive Mission Plan (AMP) 2016-26 aims to propel the Indian automotive industry. AMP 2026 aims to increase the GDP contribution of the automotive industry rise to over 12%, create additional ~65 million



direct and indirect jobs in the sector, increase net exports of vehicles and auto components and implement end-of-life policy for old vehicles.

Robust Demand	Export Opportunities	Favorable Policy Ecosystem	Competitive Advantage
<ul style="list-style-type: none"> <li>• Growing young, working population and expanding middle class will remain the key demand drivers.</li> <li>• By 2025, 4 million EVs are projected to be sold each year and 10 million by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>• India is emerging as a global hub for auto components sourcing and the industry exports over 25% of its products annually.</li> <li>• India has a competitive advantage in auto components categories such as shafts, bearings and fasteners due to large number of players.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% FDI is allowed through the automatic route in the auto sector.</li> <li>• The government approved PLI scheme for auto sector.</li> <li>• (FAME-II) was launched to incentivize electric vehicle sales and boost manufacturing.</li> </ul>	<ul style="list-style-type: none"> <li>• Cost-effective manufacturing base keeps costs lower by 10-25% compared to operations in Europe and Latin America.</li> <li>• India is the second largest steel producer in the world, hence has a cost advantage.</li> </ul>

### Company Overview and Growth Plan

Established in 1996, Autoline Industries Limited (herein referred as “Autoline” or “the Company”) is a prominent Pune-based manufacturer and supplier of automotive components to Original Equipment Manufacturers (OEMs) and other automobile companies in both domestic and international markets. The Company is engaged in manufacturing sheet metal components, assemblies, and sub-assemblies including Foot Control Modules (FCM) and Parking Brakes (PBM), hinges, cab stays and cab tilts, and exhaust systems for large OEMs in the automobile sector. It caters to major global OEMs, supplying over 3,000 products for passenger cars and commercial vehicle segments and other non-auto segments. Autoline’s five manufacturing sites are supported by in-house design and engineering services and a commercial tool room.

The following are the major business divisions of the Company:

- Concept, Style, Design, Analysis & Engineering Services**
  - Automotive engineering services for product design, development and validation
- Tool Room**
  - Press tool design, formability analysis
  - Press tool manufacturing, jigs & fixture
  - Tools tryouts
- Mechanical Assemblies**
  - Pedal Control System
  - Parking Brake
  - Door Hinges, Jack Assemblies
  - Cab Stay and Cab Tilt
- Medium and Large Stamping Assemblies**
  - Complete Floor and Door Assemblies, Sub Assemblies
  - Load Bodies and Cross Beams
  - Exhaust Systems
  - Tubular Assemblies and Sheet Metal Stampings

The Company has been providing end-to-end engineering services for passenger and commercial vehicles for over 27 years. The Company provides various types of design, drafting, modeling, and analytical services to clients through Autoline Design Software Limited (wholly-owned subsidiary). Catia, UG/NX, Pro-E/Creo, Hypermesh/Hyperform, NX Nastran, Radioss, and other best-in-class tools are used for CAD/CAE services.

India is the fourth largest producer of motor vehicles in the world and a prominent exporter of automobiles. Various initiatives/schemes have been launched by the government to promote growth and attract investment and international companies to India. The government's increasing thrust on infrastructure development and promoting ease of doing business to make India a global manufacturing hub would benefit the players in the auto and auto component sector, including Autoline.

While growing business in India with traditional customers, the Company is in the process of making significant headway in diversifying the customer base. It has undertaken numerous initiatives viz. innovation, cutting cost through value engineering, reducing and controlling costs, overheads, etc. to optimize the utilization of resources and achieve sustainable business growth.

The Company takes complete responsibility to deliver quality products to customers on time by managing critical manufacturing programs through accurate project management techniques and by providing continuous supervision by qualified and competent technical assistance. In its relentless efforts to deliver high-quality products, technological advancements, and superior customer service, Autoline has built a strong brand reputation in the domestic and international markets.

The management team took constructive efforts to turnaround the Company and some of the key initiatives undertaken during the year are highlighted below:

#### **Introduced own EV products and catering to EV requirement**

The Company has strategically diversified to EVs and forayed into the electric two-wheelers and three-wheelers market to benefit from the burgeoning EV industry. It has successfully launched its E-cycles and has set up a wholly-owned subsidiary named 'Autoline E-mobility Private Limited'(AEMPL) in March 2022 for augmentation of its E-products. AEMPL has developed eight variants of E-Cycles in various frame sizes with the brand name "e-speed". During the year under review, AEMPL has launched 4 new models i.e., 27.5 Inch Unisex, 26 Inches Cargo & Frame with integrated battery (front and rear wheel drives) – fully designed, developed and manufactured at the Autoline Unit

of the Company, sold and serviced at Pan India network along with e-commerce presence.

These models include a 27.5 Inch Unisex which is perfect for daily commuting or leisurely rides through the park. There is also a cargo version with an integrated battery that features both front and rear-wheel drives. This model is ideal for those who need to carry groceries or other items while still enjoying the benefits of an electric-powered ride. 3 variants of E-cycles are safe, higher mileage per charge and ARAI certified for subsidy. This will enhance the revenue from subsidy states.

During the year, AEMPL sold 650+ EV cycles, out of which major volumes have been sold in the second half of the year. During the initial half-year, EV cycle sales were affected due to encouraging low-speed scooters sale by government norms. However, later in 2<sup>nd</sup> half of the year, low-speed scooters were banned and the said is impacted positively on e-cycle sales and increased number of sales.

The Company is also catering to EV segments of commercial and passenger vehicles of the existing clients. As a result of its focused approach, the Company is receiving inquiries from major EV players. Moreover, the Company is also anticipating higher growth in the stamping tool manufacturing business and overseeing the possibilities to develop the new business and expand the existing business.

#### **New Set-up at Sanand**

The Company received an offer from Tata Motors Limited (TML), one of its largest clients, to set up a manufacturing facility in Sanand, Gujarat to cater to its PV division. The Company has accepted the offer and working to set up a new plant (unit) on the leasehold land allotted by Gujarat Industrial Corporation at Sanand. The Company targets to supply major sheet metal and fabricated parts for 2,40,000 vehicles per annum with an investment of ₹ 50 crores. The Board has approved ₹ 65 crores CAPEX investment for Sanand Plant in coming two years with a capacity of 2,40,000 units per year. The execution will start from January 2024.

The Company has a strong client base including renowned names such as Tata Motors, Ashok Leyland, Mahindra, Cummins, Daimler, etc. Backed by its well-placed business growth strategies and the strength of big presses and facilities, the Company is recognized as a preferred vendor by its major customers and the new set-up in Gujarat will benefit the Company to tap the customers of Sanand-Hansalpur-Vithalapur belt. The Company continuously strives to increase its client portfolio. TML is aiming to increase its overall production capacity substantially by leveraging the capacity at the Sanand plant. The Company currently, inter-alia, is catering to the EV requirements of TML for

Nexon Car and established a reliable vendor for the EV segment. It is optimistic to receive orders for upcoming EVs to be launched by TML.



**Expansion of the existing unit at Hosur**

The Company moved its manufacturing facility to Hosur, Tamil Nadu and commenced production and started serving its clients. In order to exploit the EV market on a wide scale, the Company moved the current rented facility in Hosur, Tamil Nadu, to larger premises during the year.

**Cost optimization**

The Company endeavored and resulted to reduce costs and improve the top line with diversification of the customer base to improve further profit margins. The Company has expanded its customer base and is determined to diversify into E-Vehicles, diversify customer base and enhance its product portfolio and continuously work towards the improvement of operational efficiency and cost optimization.

**Consolidation of Units**

The Company has achieved consolidation of two more units in the first half of FY 2022-23 with the objective to monetize the non-core assets and use the proceeds for debt and cost reduction.

**Revenue Growth**

The Company has registered a 14% revenue growth in FY 2022-23 over FY 2021-22 by increasing the customer base and Passenger Vehicles continue to show increased volume. It is expecting volumes to continue to improve in all segments in FY 2023-24.

**Automation in the Production line**

Autoline is moving towards automation in the Production line which will help to increase operational efficiency by increasing production volume, improve quality delivery and reduce dependency on direct labor. The Company has

automated one of its lines as a pilot project, which has enhanced operational efficiency by 35%.

**Capital Expenditure and Investments**

During the year, the Company incurred ₹ 10.71 crores towards capital expenditure predominantly towards:

- a) Improving manufacturing capacity and capability by installing press machine;
- b) Automation in the manufacturing facility;
- c) Design, software upgradation;
- d) Machine replacement and maintenance capex for sustenance.

**Consolidated Financial Performance**

The Company delivered a strong performance in FY 2022-23 with 14.30% growth in revenues. The revenue from operations during the financial year 2022-23 stood at ₹ 64,975.01 lakhs compared to ₹ 56,843.32 lakhs the last year.

The Earning before interest, depreciation, exceptional items and income tax (EBIDTA) during FY 2022-23 stood at ₹ 4,108.46 lakhs compared to ₹ 4,788 lakhs in the last year. The PAT after exceptional items stood at ₹ 1,053.5 lakhs compared to ₹ 769.4 lakhs the previous year, registering an increase of 36.92%. The Basic and Diluted Earnings per Share stood at 2.72 and 2.70 respectively registering an increase of 30%.

During the year, the Operating profit margin in FY 2022-23 was recorded at 5.7%. The Return of Net Worth (RoNW) ratio stood at 24.05% as compared to 30.28 % due to increase in capital.

**Details of Significant Changes in Key Financial Ratios, if any (i.e., change of 25% or more as compared to the immediately previous financial year)**

Pursuant to Schedule V read with the Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the significant changes in Key Financial Ratios (i.e. change of 25% or more as compared to the immediately previous financial year) with detailed reasons are provided.

**The ratios for the years ended March 31, 2023 and March 31, 2022 (on Standalone Basis) are as follows:**

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)	Reason
Current Ratio	Total current assets	Total current liabilities	0.57	0.56	2.31	Current ratio has improved as compared to previous year, mainly due to increase in receivables consequent to increase in volume.
Debt - Equity Ratio	Total debts	Shareholders equity	2.75	5.40	(49.08)	Debt equity ratio has improved due to increase in total equity on account of equity issue and current year profits.
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	1.35	0.57	134.54	Lesser repayment of long term debt in current year as compare to last year.
Return on Equity Ratio	Net profits after taxes	Average shareholders equity	0.28	0.30	(6.16)	Company has posted a net profit of Rs.14.88 crores in current year as compared to net profit of Rs.7.5 crores in previous year & equity warrant conversion resulting into decrease in ROE.
Inventory Turnover Ratio	Cost of goods sold	Average inventory	9.87	8.86	11.42	Average inventory has increased as compare to last year, higher consumption of materials has led to increase in turnover.
Trade Receivables Turnover Ratio	Net credit sales	Average trade receivables	7.11	7.56	(6.01)	Increase in revenue vis-à-vis average receivables resulted into decrease in ratio.
Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	7.25	6.30	15.09	Payables has increased as compare to last year, higher consumption of materials has led to increase in Purchase cost.
Net Capital Turnover Ratio	Net sales	Average working capital	(5.09)	(3.74)	36.28	Sales turnover has increased by 14% YoY, however net working capital remains negative.
Net Profit Ratio	Net profit	Net sales	2.30	1.32	73.88	Company has a net profit of Rs.14.88 crores in current year as compared to Rs.7.5 crores in previous year.
Return on Capital Employed	Earnings before interest and taxes	Capital employed	9.86	9.81	0.49	EBIT has decreased by almost 12% YoY & repayment of loan resulting into favourable ratio.
Return on Investment	Income from invested funds	Weighted average invested funds	0.31	0.31	0.70	-



The ratios for the years ended March 31, 2023 and March 31, 2022 (on Consolidated Basis) are as follows:

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)	Reason
Current Ratio	Total current assets	Total current liabilities	0.97	0.88	10.32	Current ratio has improved as compared to previous year, mainly due to increase in receivables consequent to increase in volume.
Debt - Equity Ratio	Total debts	Shareholders equity	1.24	1.89	(34.13)	Debt equity ratio has improved due to increase in total equity on account of equity issue and current year profits.
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	1.64	0.65	153.92	Lesser repayment of long term debt in current year as compare to last year.
Return on Equity Ratio	Net profits after taxes	Average shareholders equity	7.96	7.34	8.48	Company has posted a net profit of Rs.10.53 crores in current year as compared to net profit of Rs.7.5 crores in previous year & equity warrant conversion resulting into decrease in ROE.
Inventory Turnover Ratio	Cost of goods sold	Average inventory	2.99	2.53	18.05	While average inventory has remained same in line with last year, higher consumption of materials has led to increase in turnover.
Trade Receivables Turnover Ratio	Net credit sales	Average trade receivables	6.98	7.32	(4.64)	Increase in revenue vis-à-vis average receivables resulted into decrease in ratio.
Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	7.18	6.24	15.07	Payables has increased as compare to last year, higher consumption of materials has led to increase in Purchase cost.
Net Capital Turnover Ratio	Net sales	Average working Capital	(33.07)	(13.60)	143.11	Sales turnover has increased by 14% YoY, however net working capital remains negative.
Net Profit Ratio	Net profit	Net sales	1.62	1.35	19.81	Company has posted a net profit of Rs.10.53 crores in current year as compared to net profit of Rs.7.5 crores in previous year & equity warrant conversion resulting into decrease in ROE.
Return on Capital Employed	Earnings before interest and taxes	Capital employed	7.51	7.66	(1.98)	EBIT has decreased by almost 12% YoY & repayment of loan resulting into favourable ratio.
Return on Investment	Income from invested funds	Weighted average invested funds	(5.12)	(5.05)	1.38	-

### Corporate Social Responsibility (CSR)

The Company has voluntarily formed a CSR Committee to monitor and maintain its CSR activities. Since Autoline has suffered losses in recent years, the provisions of Section 135 of the Companies Act, 2013 relating to CSR activities are not applicable to the Company. However, the Company had undertaken various CSR Initiatives voluntarily such as tree plantation, donation of vital items, Blood donation camps, etc.

As a part of discharging its moral responsibility towards society, especially towards the Divyang (persons with disabilities) and in order to provide them an opportunity to become financially independent (Atmanirbhar) and at the same time to bring them into the mainstream, the Company has voluntarily provided an employment opportunity to the Divyang (persons with disabilities).

## Risks and Mitigation Strategies

**Liquidity risk:** The unavailability of sufficient liquidity may adversely impact the working capital position, resulting in manufacturing disruption and may harm the Company's reputation. The Company is focused to deploy efforts to boost revenue and profitability levels and to generate surplus cash to meet its financial obligations. It also consolidated its manufacturing units and utilizing the proceeds to reduce its debt levels. It aims to further augment its working capital needs to meet the growth objectives.

### Concentration risk:

The Company is concerned about the over-dependency on few clients and business segments. This over-dependency may pose a risk to the Company's business. To reduce the customer concentration risk and single segment risk, the Company has been proactively seeking new clients in India as well as abroad and at the same time striving to increase its share of business with the existing customers. The Company is expanding its Business Development team to approach the market in more dynamic way and to focus on new Customers as well as additional business from existing customers.

**Rising input cost risk:** High prices of key raw materials may lead to increased input costs, impacting the operations and profitability of the Company. It is focusing on raw material cost optimization through various means such as conversion cost reduction, supply chain efficiency improvement, automation, and material yield improvement. Any increase in the price of key raw materials, particularly steel, is passed on to customers to minimize the impact on profitability. The Company also concentrates on cut-to-size raw materials to reduce the conversion cost, scrap and other associated costs.

**Raw material risk:** Disruption in the procurement of raw materials on time may significantly impact the Company's operations and manufacturing cost. Since the Company relies on third-party vendors to purchase raw materials and other supplies, any negative impact on supply chain disruptions and raw material shortages may hinder its production. The Company ensures that the shortage does not significantly affect the supply chain and manufacturing output. It remains focused on ensuring the timely availability of raw materials and components and maintains long-term relationships with its vendors and customers.

**Competition risk:** The Company faces competition from existing and new players in the industry. Its inability to offer differentiated products with consistently superior quality and competitive pricing may negatively influence its market share and profitability. However, the Company benefits from its strong and long-standing direct relationships with

many OEMs. It also consistently invests in automation, improvement in delivery systems, and innovative products of superior quality to gain a competitive advantage.

**Macro-economic risk:** The economy is facing headwinds in terms of inflation, high-interest rates, global slowdown, etc. The economic slowdown or stagnation could directly and indirectly impact the Indian economy and all the sectors including the auto sector, resulting in demand compression and lower revenue for the Company. The Company is taking every precaution possible to mitigate the effects of such impact by adopting a conservative approach while aiming to benefit from the growth of the auto sector.

## Environment, Occupational Health and Safety (EHS)

The Company believes in "Safety First" and always ensures the health, safety and security of its employees at the workplace. It has a well-defined Environment, Health and Safety (EHS) framework across all functions and employees, from the shop floor to senior management strictly follow safety standards and perform tasks safely. The Company also conducts training and awareness programs throughout the year for the employees to enhance their skills and capabilities and provide them with the newest industry knowledge to manage the task with passion to excel.

The Company adheres to the best safety standards in its manufacturing facilities and has an impressive record of the safest operating conditions in the industry. It regularly conducts fire-fighting, safety and mock drill training for the operators and staff. It also includes worker training in accident prevention, response and emergency planning, as well as the usage of protective clothing and equipment. Additionally, paramedical staff and emergency medical equipment are available in the Company to deal with industry-specific health and safety issues among the employees. The Company's EHS management involves organizing activities and procedures for recognizing workplace potential risks, which aids to reduce accidents and exposure to hazardous chemicals and conditions. The Company has hired a dedicated safety officer to raise awareness of safety. The safety officer is in charge of fostering a safety-conscious workplace environment.

Every year, the Company celebrates safety week to reiterate its commitment to ensure a safe workplace. During the year, various training sessions were conducted by highly qualified and experienced professionals on vital subjects like First aid training, Behavioural-based Safety training, '5S' and Workplace safety at regular intervals. Mock drills and various competitions covering safety in all aspects of life such as health safety and workplace safety were also conducted during the year.

Although the Environmental, Social and Governance (ESG) Report is not mandatory for the Company, it has started checking the ESG preparedness Audit to know where it is standing. The Company will start implementing the ESG principles in the coming years.

### Quality

The Company fosters a culture of relentless improvement and strives to protect its reputation as a superior quality supplier by emphasizing on maintaining and improving its quality control. Its manufacturing facilities are highly automated wherever required. The safety protocols are diligently maintained and quality standards are being strictly monitored. The Company's quality system is upgraded on an ongoing basis to bring it up to and maintain the global standard. The Company meets all the customers' quality standards and customer-perceived quality is produced at workstations by adding "poka yoke" to avoid complaints.

The Company has obtained QMS certification- IATF 16949 (created by The International Automotive Task Force (IATF) members). It has also received quality certifications in the areas of TQM and QMS. It is certified with various quality systems such as TS16949, OHSAS 18001, ISO 14001, Formal Q (Volkswagen), QSB (General Motors), MONOZUKURI & ASES (Renault-Nissan), Formal Q (FORD). Additionally, the Company employs a variety of other quality control measures, such as quality awareness, training, and involvement of all Shop floor team members in order to meet quality targets, regular and preventive maintenance of dies and other machines to produce high-quality parts, periodic review of supplier quality performance and escalation, etc. The Company regularly invests in technological upgrades to achieve consistency in product quality and strives to consistently improve its product variety, product quality and efficiency, resulting in client satisfaction.

### Internal Control Systems

The Company has an efficient and structured internal control system commensurate with the size and nature of its business. The Company's policies and procedures are well-framed and encompass the design, implementation, and maintenance of effective internal financial controls. Internal audits are conducted by external auditors and they audit all aspects of business based on audit programs established by the Audit Committee. The audit reports are reviewed and addressed quarterly by the Audit Committee in the presence of Auditors.

The Company ensures the optimal utilization of resources and the accurate reporting of financial transactions and strict compliance with applicable laws and regulations. The Board prepares and approves detailed annual and capital budgets for all of its functions yearly, and the committee monitors the

process. The Company has replaced the Microsoft Dynamics AX 2009 with SAP ERP. It is a low-cost and effective ERP system for strengthening the organization's internal control system. With the support of modern ERP and other constant upgrades, the Company is in a better position to augment operational efficiency and cost-effectiveness of overall operational controls.

### Human Resources

The Company considers its employees as the most valuable asset and integral to its growth and business sustainability. It believes that its human resources can propel the Company forward on its path to success. Its human resource management has been a continual process in which various methods are constantly embraced and utilized to achieve optimum performance. During FY 2022-23, the Company undertook various initiatives to boost employee morale, ensure the sustained welfare and well-being of its employees and create a conducive work environment.

The Company provides pre-joining health checkups to the new employees and welcomes them with joining kits with the aim of continuous training of its employees for the enhancement of their skills and capabilities. In order to demonstrate the qualities of true leadership, various seminars and training programs were conducted by internal as well as external professionals for the Senior Management team. To create awareness on one of the crucial aspects of day-to-day life, i.e. Finance, one exclusive training on the subject of "Finance for Non-finance" was conducted by highly qualified and experienced professionals. Further, the Company conducts training on various topics including technical as well as behavioral sessions by expert trainers. It also encourages and engages internal personnel in skill-sharing sessions to give training in their relevant field. It helps in sharing knowledge and information as well as the personality development of the concerned employee.

The Company is in the process to revive and redesign its Gurukul training facility to train the new comers, contract workers before putting them in the manufacturing facilities and to upskill the on roll employees. The Company is driving Performance Management System (PMS) to foster performance-oriented culture across the organization. It has implemented various HR policies such as Reward & Recognition, Advance salary, PMS policy, Star Award Policy, Attendance Policy, Employee Health Benefit Scheme, Accident policy, Death Benevolent fund, etc. to maximize the potential of its employees. In addition to the availability of self-funded Medclaim known as the 'Autoline Employees Health Benefit Scheme', the Company also sponsors/organizes programs and activities for the betterment of its employees such as annual health check-ups, birthday celebrations, sports events, cultural events, etc.

Human Asset Division (HAD) representatives maintain interaction with individuals within the group of employees through different forums and committees to maintain transparent work culture. The Company is planning to develop internal trainers to impart customized training programs for the development of skills of the employees. It has also initiated Balance Score Card/KRA's to closely monitor the individual employee's functional performance to foster a performance-driven organization. The Company's average total employee strength stood at 829 as on 31<sup>st</sup> March 2023.

### Cautionary Statement

The statements contained in this Annual Report, including the Directors' Report and Management Discussion and Analysis may include forward-looking statements within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations regarding

future events. The Company's actual results, performances, or achievements may differ materially from any future results, performances, or achievements that may be expressed or implied, given that the Company's operations are influenced by numerous external and internal factors beyond the control of the Management. These forward-looking statements are subject to certain risks and uncertainties, including but limited to, economic conditions affecting demand/supply and price conditions in the market, changes in government regulations and policies, raw material availability and prices, competitive pressures, and other incidental factors. The Company cannot guarantee the accuracy or achievement of these statements, assumptions, and aspirations. The Company assumes no obligation to publicly update, change, or revise any forward-looking statements in light of later events or developments.



# Corporate Governance Report

## 1. Company's Philosophy on Code of Governance:

Corporate Governance is a system to ensure the conduct of business with all integrity and fairness, being transparent with regard to all transactions, complying with all the laws of the land in letter and spirit and fixing the accountability and responsibility towards all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Good Corporate Governance is a key driver of sustainable corporate growth and creating long-term value for stakeholders.

The company holds the view that an effective structure for corporate governance not only aids in reputation-building and effective risk management but also aids in maximizing shareholder value.

In order to protect the interests of stakeholders, ALL is completely committed to implement best practices in corporate governance and disclosures. We also continuously work to uphold the highest levels of integrity and best management practices.

At ALL, we place a premium on fairness and openness in the management of our business activities. We believe gaining and maintaining the stakeholders' trust is crucial.

The detailed report on complying with obligations of the listed entity which has listed its specified securities as per Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") is set out as under.

## 2. Board of Directors:

### A. Composition of the Board of Directors:

The Company believes that an active, well informed and independent Board is essential to ensure the highest standards of Corporate Governance. The Board's current structure consists of the ideal mix of individuals with the skills and expertise needed to guide the company towards its objectives while also upholding strong standards of corporate governance.

The Company's Board composition is in compliance with the requirements of Section 149 of the Companies Act, 2013 and the rules made thereunder along with Regulation 17 of the SEBI LODR Regulations.

The Board of Directors of Company comprises Six Directors as of March 31, 2023 having an optimum combination of executive and non-executive directors with one woman Independent Director. More than fifty percent of the Board of Directors comprises non-executive directors. Mr. Prakash Nimbalkar, Independent Director chairs the Board of the Company. The Board of Directors is composed of two Executive Directors viz. Mr. Shivaji Akhade (DIN: 00006755), Managing Director & Chief Executive Officer (designated as Chief Executive Officer from June 28, 2021) and Mr. Sudhir Mungase (DIN: 00006754), Whole-time Director and three Non-executive Independent Directors namely CA Vijay Thanawala (DIN: 00001974), Mr. Prakash Nimbalkar (DIN: 00109947) and Ms. Rajashri Sai (DIN: 07112541) and one Nominee Director Mr. Sridhar Ramachandran (DIN: 07706213) representing the equity investor i.e. India Nivesh Renaissance Fund.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Regulation 26 of SEBI LODR Regulations, across all the public limited Companies in which they are Directors. The numbers of directorships of Independent Directors and Other Directors are within the limit of Regulation 17A of SEBI LODR Regulations. The necessary disclosures regarding committee positions and directorships have been made by the Directors. The tenure of Independent Directors is in accordance with the Companies Act, 2013 and rules made thereunder in this regard from time to time.

### B. Attendance of each director at the meeting of the Board of Directors and the last Annual General Meeting during FY 2022-23:

Name of the Director	No of Board Meeting Attended	Attendance at the AGM held on 29th September, 2022
Mr. Prakash Nimbalkar	6	Yes
Mr. Shivaji Akhade	6	Yes
Mr. Sudhir Mungase	6	Yes
Mr. Sridhar Ramachandran	6	Yes
Mr. Vijay Thanawala	6	Yes
Ms. Rajashri Sai	6	Yes

**C. Number of other Board of Directors or Committees in which a director is a member or chairperson as on March 31, 2023 are as follows:**

Name of the Director	No. of Directorships held *	No. of committee Memberships held**	No. of committee Chairmanship held**	Names of listed entities in which holds the directorship and category of directorship
Mr. Prakash Nimbalkar	1	1	1	-
Mr. Shivaji Akhade	2	2	0	-
Mr. Sudhir Mungase	2	0	0	-
Mr. Sridhar Ramachandran	0	0	0	-
CA Vijay Thanawala	1	1	2	-
Mrs. Rajashri Sai	0	0	0	-

\*This number excludes the directorships/committee memberships held in Private Limited Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

\*\*In accordance with Regulation 26 (1) (b) of SEBI LODR Regulations, Memberships and Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all Public Limited Companies have been considered.

**D. Number of meetings of the Board of Directors held and dates on which held:**

During the financial year 2022-23, Six (6) Board meetings were held, respectively on May 6, 2022, May 28, 2022, August 9, 2022, August 29, 2022, November 13, 2022 and February 9, 2023. The maximum time gap between any two sequential meetings was not more than 120 days. The quorum for all the Board meetings was more than three including one Independent director.

During the year, a separate meeting of Independent Directors was held on February 9, 2023 for reviewing and assessing the matters specified as per Section 149(8) read with Schedule IV of the Act and Regulation 25(4) of SEBI LODR Regulations and Companies Act, 2013.

The Board of Directors periodically reviewed compliance reports pertaining to all laws applicable to the Company, as well as steps were taken by the Company to rectify instances of non-compliances if any. The Board of Directors was satisfied that plans are in place for an orderly succession for appointment to the board of directors and senior management.

During the year under review, the information specified in Part- A of Schedule II of SEBI LODR Regulations was placed before the Board of Directors.

In advance of each meeting, all relevant information of various matters relating to the working of the Company, especially those that requires deliberations at the highest level is presented before the Board. Directors have separate and full access to senior management at all times. In addition to items which are required to be placed before the Board for its noting or approval, information is provided on various significant items. The relevant information is regularly made available to the Board.

To enable the Board, to discharge its responsibilities effectively, the members of the Board were given brief updates at every Board meeting on the overall performance of the Company and on each of the Agenda items of the Board meeting. The Draft minutes of each Board meeting were circulated to all the directors within 15 days from the date of the conclusion of the meeting for their comments.

**E. Disclosure of relationships between the directors inter-se:**

There is no inter-se relationship between the Directors except that Mr. Sudhir Mungase (DIN: 00006754), Whole-time Director of the Company is a brother-in-law of Mr. Shivaji Akhade (DIN: 00006755), Managing Director & CEO of the Company.

**F. Number of shares and Convertible instruments held by Non-executive Directors as on March 31, 2023:**

Name of the Director	DIN	No. of Shares	Convertible Instruments
Mr. Prakash Nimbalkar	00109947	6700	0
CA Vijay Thanawala	00001974	2525	0
Mr. Sridhar Ramachandran	07706213	2000	0
Ms. Rajashri Sai	07112541	0	0

**G. Web link for details of familiarisation programmes imparted to independent directors is disclosed:**

The company has arranged familiarisation programmes for the independent director, details of which are available on the website of the company, the link for the same is <http://www.autolineind.com/code-of-conduct-policies>

**H. Core Skill/Expertise/Competencies**

In accordance with Regulation 34(3) read with Para C of the Schedule V of the SEBI LODR Regulations, the Board of Directors have identified the Skills, Expertise & Competencies required in the context of the company's business and the sector in which it operates to function effectively and those actually available with the board. Accordingly, the below table represents the Key Skills/ Expertise & Competencies considered desirable for the Board of the Company.

Sr. No	Arenas of Desired Skills, Expertise & Competencies	Knowledge, Skills & Expertise desired
1	Knowledge of Automobile and Auto Ancillary	A thorough understanding of the Global as well as Indian Automobile Industry and organizations dealing in designing, moulding and sheet metal pressing.
2	Knowledge and understanding of FDI policy and JV- overseas and domestic	Sound knowledge and understanding of matters related to RBI policy with respect to FDI and overseas investment, JV transactions as one of the company's subsidiaries is a JV with foreign investors and the Company has FDI and overseas exposure.
3	Finance & Taxation	Understanding of Financial Statements, transactions, internal financial controlling processes, financial management and taxation laws.
4	Corporate Laws and Governance	Understanding and knowledge of Corporate Laws and other applicable Legislations.
5	Audit & Risk Assessment	A thorough understanding of Audit and its related procedures, Risk Management and strategies related to the same.
6	Management Capabilities	Core competencies in reference to Management capabilities include Efficient Planning and Control of Production and Operations, Overall Managerial skills and leadership qualities.

A chart setting out the skills/expertise/competence of the board of directors as desired by the Company

Name of Director	Arenas of Desired Skills, Expertise & Competencies					
	Knowledge of Automobile and Auto Ancillary Industry	Knowledge and understanding of FDI policy and JV- overseas and domestic	Finance & Taxation	Corporate Laws and Governance	Audit & Risk Assessment	Management Capabilities
Mr. Shivaji Akhade	✓	✓	✓	✓	✓	✓
Mr. Sudhir Mungase	✓	✓	✓	✓	✓	✓
Mr. Prakash Nimbalkar	✓	✓	✓	✓	✓	✓
Mr. Vijay Thanawala	✓	✓	✓	✓	✓	✓
Mr. Sridhar Ramachandran	✓	✓	✓	✓	✓	✓
Ms. Rajashri Sai	✓	✓	✓	✓	✓	✓

- i. Based on the disclosures received from all Independent directors and also in the opinion of the Board, the Board confirms that the independent directors fulfill the conditions specified in the SEBI LODR Regulations and Companies Act, 2013 and are independent of the management.

### 3. Audit Committee:

#### A. Brief Description of terms of reference:

The Board receives assurance of the sufficiency of the internal control systems and financial disclosures from the Audit Committee of the Board of Directors of the Company. Its main objective is to oversee the management's financial reporting process and monitor it effectively in order to guarantee accurate, timely, and adequate disclosures as well as transparency, integrity, and high calibre of financial reporting.

The terms of reference of the Audit Committee are wide enough to cover the matters specified for the Audit Committee under Regulation 18 of SEBI LODR Regulations as amended time to time, as well as in Section 177 of the Companies Act, 2013 which inter-alia includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services (their services) rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, 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
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of the internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or
  - 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) Qualifications/modified opinions in the draft audit report if any



a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**B. Composition, Name of Members and Chairperson:**

The present Committee’s composition is in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR Regulations. The present Audit Committee comprises of three members, two are non-executive independent directors and one is executive director. The composition of which is as under:

- i) CA Vijay Thanawala (Non-Executive Independent Director)
- ii) Mr. Prakash Nimbalkar (Non-Executive Independent Director)
- iii) Mr. Shivaji Akhade (Managing Director)

CA Vijay Thanawala is the Chairman of the Audit Committee. All members of the Audit Committee have ability to read and understand the financial statement and they are financially literate. CA Vijay Thanawala and Mr. Prakash Nimbalkar have accounting or related financial management expertise. CS Shilpa Walunj, Company Secretary of the Company is acting as Secretary to the Committee. The representatives of the Auditors are also invited to the meetings. The Committee invites any officer of the Company in the meeting, whenever required.

During the Financial year under review, Five (5) Audit Committee meetings were held on May 27, 2022, August 8, 2022, August 29, 2022, November 12, 2022, and February 08, 2023.

The details of attendance of the Members at the Audit Committee Meetings are given below:

Name of the Director	No. of meetings held	No. of meetings attended
CA. Vijay Thanawala	5	5
Mr. Prakash Nimbalkar	5	5
Mr. Shivaji Akhade	5	5

**4. Nomination and Remuneration Committee:**

**A. Brief description of terms of reference:**

The terms of reference of the Nomination & Remuneration Committee are wide enough to cover the matters specified for the Committee under Part D of the Schedule II of SEBI LODR Regulations as amended time to time and Section 178 of the Companies Act, 2013 and inter-alia includes:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- b. For every appointment of an Independent Director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.

For the purpose of identifying suitable candidates, the Committee may:

- a) Use the services of external agencies, if required;
- b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c) Consider the time commitments of the candidates
- c. 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.
- d. Formulation of criteria for evaluation of Independent Directors and the Board.
- e. To evaluate performance of each director and performance of the Board as a whole.
- f. To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- g. To review and determine fixed component and performance linked incentives for Directors along with the performance criteria.
- h. To determine policy on service contracts, notice period, severance fee for directors and senior management.
- i. Devising a policy on Board diversity.
- j. To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- k. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- l. Recommend to the board, all remuneration, in whatever form, payable to senior management.
- m. To perform such other functions as may be necessary.

## B. Composition, Name of Members and Chairperson

The Company has constituted the Nomination & Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013.

The composition of Nomination & Remuneration Committee is as under:

- i) CA Vijay Thanawala  
(Non-Executive Independent Director)
- ii) Mr. Prakash Nimbalkar  
(Non-Executive Independent Director)
- iii) Mr. Sridhar Ramachandran  
(Non-Executive Director)

CA Vijay Thanawala is the Chairman of the Committee. CS Shilpa Walunj Company Secretary of the Company is acting as Secretary to the Committee. The Committee's composition meets with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year 2022-2023, Two meetings of the NRC was held on August 09, 2022 and February 09, 2023 The details of attendance of the Members at the NRC Meeting is given below:

Name of the Director	No. of meetings held	No. of meetings attended
CA. Vijay Thanawala	2	2
Mr. Prakash Nimbalkar	2	2
Mr. Sridhar Ramachandran	2	2

## C. Performance evaluation criteria for independent directors (ID):

Performance evaluation of Independent Directors was done by entire Board of Directors which broadly consists of (a) performance of the directors; and (b) fulfillment of the independence criteria as specified in LODR and their independence from the management. The director who was subject to evaluation had not participated in the evaluation process. Performance evaluation criteria for independent directors are detailed as follows:

### I. Evaluation based on professional conduct:

1. Whether the Independent Directors upholds ethical standards of integrity and probity?
2. Whether ID acts objectively and constructively while exercising their duties?
3. Whether ID exercises his/her responsibilities in a bona fide manner in the interest of the Company?

4. Whether ID devotes sufficient time and attention to his/her professional obligations for informed and balanced decision making?
5. Whether ID not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making?
6. Whether ID does not abuse his/her positions to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person?
7. Whether ID refrains from any action that would lead to loss of his/her independence?
8. Where circumstances arise which make an independent director lose his/her independence, whether the independent director has immediately informed the Board accordingly?
9. Whether ID assists the Company in implementing the best corporate governance practices?

#### II. Evaluation based on Role and functions:

1. Whether ID helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct?
2. Whether ID brings an objective view in the evaluation of the performance of Board and management?
3. Whether ID scrutinizes the performance of management in meeting agreed goals and objectives and monitor the reporting of performance?
4. Whether ID satisfies himself/herself on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible?
5. Whether ID has taken actions to safeguard the interests of all stakeholders, particularly the minority shareholders?

6. Whether IDs balances the conflicting interest of the stakeholders?
7. Whether ID during the Board/ Committee meetings along with other members determines appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management?
8. Whether ID moderates and arbitrates in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest?

#### III. Evaluation based on Duties:

1. Whether ID undertakes appropriate induction and regularly update and refresh his/her skills, knowledge and familiarity with the Company?
2. Whether ID seeks appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts?
3. Whether IDs strive to attend all meetings of the Board of Directors and of the Committees of which he/she is a member?
4. Whether ID participates constructively and actively in the Committees of the Board in which he/she is chairperson or member?
5. Whether ID strives to attend the general meetings of the Company?
6. Where ID has concerns about the running of the Company or a proposed action, whether he/she ensures that these are addressed by the Board and to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting?
7. Whether ID does not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board?
8. Whether ID gives sufficient attention and ensure that adequate deliberations are held

- before approving related party transactions and assure himself/herself that the same are in the interest of the Company?
9. Whether ID ascertains and ensures that the Company has an adequate and functional vigil mechanism and also ensures that the interests of a person who uses such mechanism are not prejudicially affected on account of such use?
  10. Whether ID reports concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct?
  11. Whether ID acts within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees?
  12. Whether ID does not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law?
- b. To consider and resolve the grievances of security holders of the Company with respect to transfer/transmission of shares, non-receipt of annual Report, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings etc.
  - c. To review of measures taken for effective exercise of voting rights by shareholders
  - d. To provide guidance and make recommendations to improve service levels for the investors.
  - e. To 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
  - f. To 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.
  - g. To perform such other functions as may be necessary.

**B. Composition, Name of Members and Chairperson:**

The present composition of the SRC is in accordance with the provisions of the Act, and the rules made thereunder and Listing Regulations. The Committee comprises of 3 (Three) directors, including 2 (Two) Independent Director. The Chairperson of the SRC is an Independent Director and attends the Annual General Meeting to answer the queries raised by the Shareholders/Security holders.

The Composition of Stakeholders Relationship Committee is as under:

- i. Mr. Prakash Nimbalkar  
(Non-Executive Independent Director)
- ii. CA Vijay Thanawala  
(Non-Executive Independent Director)
- iii. Mr. Shivaji Akhade (Managing Director)

CS Shilpa Walunj Company Secretary of the Company is acting as Secretary to the Committee.

During the year under review, the Stakeholders' Relationship Committee met Four (4) times on May 28, 2022, August 9, 2022, November 13, 2022 and February 9, 2023.

## 5. Stakeholders' Relationship Committee:

### A. Brief description of terms of reference:

The Company has constituted a Stakeholders' Relationship Committee ('SRC') in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Act.

The Committee specifically looks into the various aspect of interest including mechanism of redressal of grievances of shareholders, debenture holders and other security holders. In addition, the Committee also looks into matters that can facilitate better investor services and relations.

The terms of reference of Stakeholders' Relationship Committee are wide enough to cover the matters specified for Committee under the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and inter alia includes:

- a. To oversee and review all matters connected with the transfer of the Company's securities;

Attendance at the Stakeholders' Relationship Committee meeting during the Financial Year 2022-23:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash Nimbalkar	4	4
CA Vijay Thanawala	4	4
Mr. Shivaji Akhade	4	4

**C. Name and Designation of the Compliance Officer:**

CS Shilpa Walunj, Company Secretary of the Company is the Compliance officer of the Company

**d. Number of shareholders' complaints received, Number of complaints not solved to the satisfaction of shareholders and no. of pending complaints during the financial year 2022-23 are as below:**

Complaints received	Complaints not solved to the satisfaction	Pending complaints
0	0	0

**6. Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee comprises three members out of whom one is Independent Director viz. Mr. Prakash Nimbalkar (Chairman) and two are Executive Directors viz. Mr. Shivaji Akhade, Managing Director and Mr. Sudhir Mungase, Whole-time Director.

The Committee was reconstituted on January 30, 2021 and meets with the requirements of Section 135 of the Companies Act, 2013 during the financial year 2022-23.

The terms of reference of the Corporate Social Responsibility Committee are wide enough to cover the matters specified for Committee under Section 135 of the Companies Act, 2013 and inter-alia includes:

- a. To formulate and recommend to the Board a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in compliance with the provision of the companies Act, 2013 and rules made thereunder;
- b. To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities;
- c. To monitor the Corporate Social Responsibility Policy of the Company;

- d. To review the performance of the Company in the area of Corporate Social Responsibility;
- e. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

Even though the company has recorded profit amounting to ₹ 14.88 Cr. for the financial year 2022-23 and ₹ 7.94 Cr. for the financial year 2021-22 there were no profits during previous three financial years as calculated in accordance with the provisions of section 198 of the Companies, 2013 and hence the Company was not supposed to incur expenditure on CSR activities however company voluntarily undertakes CSR initiatives and the same can be referred under Directors' Report. No meetings of the CSR Committee were held during the financial year 2022-23.

**7. Executive Committee:**

Executive Committee consists of Mr. Prakash Nimbalkar, Mr. Shivaji Akhade, Mr. Sudhir Mungase and Mr. Sridhar Ramachandran. Mr. Prakash Nimbalkar is the Chairman of the Executive Committee.

Executive Committee of the Board has been delegated certain powers and duties by the Board of Directors to oversee certain functions including but not limited to the following functions broadly:

- a) To borrow & avail various credit facilities, loans from banks, financial institutions etc. up to ₹ 400 Crores;
- b) To invest the funds of the Company up to ₹ 400 Crores;
- c) To grant loans or give guarantee or provide security in respect of loans up to ₹ 400 Crores;
- d) To recommend Board to take various decisions on financial commitments, roles etc;
- e) To discuss on the financials and long term planning, strategic planning relating to business and it affairs of the Company;
- f) To monitor and control over all units and subsidiary companies operations;
- g) Establishing control & supervision on all departments like Production, Sales, Purchase, HR, IT, Accounts and finance etc;



- h) Discussions and decisions on purchase/sale of capital assets etc.
- i) Discussions relating to acquisitions/ sale of units/ undertakings, negotiation with parties etc.
- j) Business Developments and decisions to be taken in this respect.
- k) Any other matter which the Board may from time to time deem fit.

During the year under review, the Committee met Seven (7) times on July 12, 2022, September 24, 2022, October 21, 2022, November 30, 2022, December 24, 2022, and January 28, 2023, March 24, 2023.

Attendance at the Executive Committee meeting:

Name of the Director	No. of meetings held	No. of meetings attended
Mr. Prakash Nimbalkar	7	7
Mr. Shivaji Akhade	7	6
Mr. Sudhir Mungase	7	4
Mr. Sridhar Ramachandran	7	7

## 8. Compensation Committee

The Committee has been constituted to administer and monitor Autoline ESOS Scheme 2008. The said Scheme is lapsed due to efflux of time on April 12, 2019. The Committee consists of three members out of which two are Independent Directors viz. Mr. Prakash Nimbalkar, CA. Vijay Thanawala and one Executive Director, Mr. Shivaji Akhade.

Mr. Prakash Nimbalkar is the Chairman of the Committee. No meeting of the Compensation Committee were held during the financial year 2022-23.

## 9. Risk Management Committee

The Company voluntarily constituted Risk Management Committee on February 3, 2015. Although the provisions relating to the constitution and holding of the meeting do not apply to the Company since the Company does not fall among the top 1000 listed entities, the Company through its Board Meeting held on August 9, 2022, has reconstituted the Committee in light of its significance

and necessity. The Committee is responsible to lay down procedures to inform Board members about risk assessment and mitigation procedures.

The Committee has been reformed with seven members, four of which are Board members: Mr. Prakash Nimbalkar, Mr. Shivaji Akhade, Mr. Sudhir Mungase, and Mr. Sridhar Ramachandran. Other members of the Risk Management Committee include Mr. Venugopal Pendyala, Chief Financial Officer, Mr. Mayank Sharma, Chief Operating Officer, and Mr. Ketan Vasagadekar, Head of Human Assets, for a better understanding of the risks on the ground level and for developing mitigation strategies through practical aspects. Mr. Prakash Nimbalkar is the Chairman of the Committee.

The Committee has laid down procedures to inform the Board members about the risk assessment and mitigation procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. One meeting of Risk Management Committee was held on March 24, 2023 during the financial year 2022-23 where all the above Committee members were present & discussed the strategy for Risk management and approved Business Continuity plan.

## 10. Remuneration of Directors

### a) All Pecuniary relationship or transaction of the Non-Executive directors vis-à-vis the Company:

During the year under review, none of the Non – Executive Directors of the Company had any pecuniary relationships and/or transactions with the Company except the shareholding and as disclosed in Financial Statements of the company for report under review.

### b) Criteria of making payments to non-executive directors:

Non-Executive Directors of your Company receive sitting fees of ₹ 30,000/- for each meeting of Board and Executive Committee, ₹ 25000/- for each meeting of Audit Committee and ₹ 15000/- for each meeting of Nomination & Remuneration Committee, Stakeholders Relationship Committee, Compensation Committee and any other committee meeting thereof attended by them. Apart from sitting fees non-executive directors did not receive any remuneration from the Company during the financial year 2022-23.

**c) Disclosures with respect to remuneration:**

The details of remuneration paid to Directors of the Company during the financial year 2022-23 are given below:

(₹ in Lakhs)

Sr. No	Particulars	Mr. Shivaji Akhade	Mr. Sudhir Mungase
i)	<b>Gross Salary</b>	60.00	24.00
	(a) Salary	60.00	24.00
	(b) Bonus	0	0
	(c) Stock Options	0	0
	(d) Pension	0	0
ii)	<b>Performance Linked incentives</b>	0	0
	<b>Total</b>	<b>60.00</b>	<b>24.00</b>
iii)	<b>Service Contracts</b>	5 Years w.e.f. October 1, 2021.	5 Years w.e.f. October 1, 2021.
	Notice Period	6 months	6 months
	Severance Fees	Nil	Nil
iv)	<b>Stock option details</b>	Nil	Nil

\*Non-Executive directors did not receive any remuneration, stock options, performance linked incentives etc. other than sitting fees which is disclosed in Annual Return.

## 11. General Body Meetings

**a Details of Location, time, venue and special resolutions passed in the last three Annual General Meetings (AGMs) and Extra-ordinary General Meetings (EGMs) held in FY 2022-23 are given as under:**

Financial Year, Day & date	Time	Venue	No. of Special Resolution(s) passed
2021-2022, 26 <sup>th</sup> AGM, Thursday, September, 2022	3.30 p.m.	Due to Covid-19 pandemic the 26 <sup>th</sup> Annual General Meeting of the members of the Company was convened through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") in accordance with the relevant Circulars of MCA and SEBI. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated 15 <sup>th</sup> April, 2020 issued by the ICSI, the Proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM.	No Special Resolution was passed
2020-21, 25 <sup>th</sup> AGM, Wednesday, September 29, 2021	2.30 p.m.	Due to Covid-19 pandemic the 25 <sup>th</sup> Annual General Meeting of the members of the Company was convened through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") in accordance with the relevant Circulars of MCA and SEBI. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated 15 <sup>th</sup> April, 2020 issued by the ICSI, the Proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM.	1. To Re-appoint Mr. Shivaji Akhade (DIN: 00006755) as a Managing Director 2. To Reappoint Mr. Sudhir Mungase (DIN: 00006754) as a Whole-time Director

Financial Year, Day & date	Time	Venue	No. of Special Resolution(s) passed
2019-20, 24 <sup>th</sup> AGM, Tuesday, December 29, 2020	2.30 p.m.	Due to Covid-19 pandemic the 24 <sup>th</sup> Annual General Meeting of the members of the Company was convened through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") in accordance with the relevant Circulars of MCA and SEBI. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated 15 <sup>th</sup> April, 2020 issued by the ICSI, the Proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM	No Special Resolution was passed

All resolutions as set out in the respective notices were duly passed by the shareholders.

**b. Special Resolutions passed through Postal Ballot:**

During the year 2022-23, the Company has vide its Postal Ballot Notice dated May 6, 2022 passed the following special resolutions on June 11, 2022 in relation to Approve the Payment of Remuneration to Mr. Shivaji Akhade, (DIN: 00006755) Managing Director & Chief Executive Officer and Mr. Sudhir Mungase, (DIN: 00006754) Whole time Director of the Company as mentioned in Postal Ballot Notice dated May 6, 2022:

Sr. No.	Matter of the Special Resolutions	Percentage of Votes in Favor	Percentage of Votes in against
1	To Approve the Payment of Remuneration to Mr. Shivaji Akhade, (DIN: 00006755) Managing Director & Chief Executive Officer of the Company	99.98	0.02
2	To Approve the Payment of Remuneration to Mr. Sudhir Mungase, (DIN: 00006754) Whole time Director of the Company	99.98	0.02

**c. Special Resolution proposed to be conducted through postal Ballot:**

At present there are no Special Resolutions proposed to be conducted through postal ballot.

Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), and any other applicable laws and regulations, consent of Members of the Company is sought by means of voting through electronic means (e-voting).

**d. Procedure for postal ballot and Scrutiniser:** The notice of the Postal Ballot was sent to the shareholders of the Company for their approval. Pursuant to clause (a) of sub-section (1) of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, General Circular No.14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular 22/2020 dated June 15, 2020, General Circular No. 33/ 2020 dated September 28, 2020 and General Circular No. 39/ 2020 dated December 31, 2020, General Circular No. 10/ 2021 dated June 23, 2021, General Circular No. 20/ 2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs on account of the threat posed by Covid -19 pandemic and any other applicable laws and regulations including Securities and Exchange Board of India (Listing Obligations and

CS Sunil Nanal, Practicing Company Secretary, was appointed as the Scrutiniser for conducting the Postal Ballot and e-voting exercise.

## 12. Means of Communication:

**Financial results:** The Company normally publishes its quarterly and/or yearly financial results in the leading national newspaper namely The Financial Express. In addition the same are published in local language (Marathi) newspapers namely Daily LokSatta.

**Website:** The Company's website ([www.autolineind.com](http://www.autolineind.com)) contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in a user-friendly and downloadable form. Business updates, official news releases and Presentations made to institutional investors or to the analysts, if any are also

available on the website of company and disseminated on the Stock Exchanges viz. BSE and NSE.

**Annual Report:** The Annual Report containing, inter alia, Audited Financial Statements (Standalone and Consolidated), Director’s Report including Management Discussion and Analysis (MD&A) Report, Auditor’s Report and other important information is circulated to members and others entitled thereto and is also available on Company’s website: [www.autolineind.com](http://www.autolineind.com).

**NSE Electronic Application Processing System (NEAPS) & NSE Digital Portal:** The NEAPS & NSE Digital Portal are web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS or & NSE Digital Portal.

**BSE Corporate Compliance & Listing Centre (the ‘Listing Centre’):** BSE’s Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) concerned companies and online viewing by investors of actions taken on the complaint and its current status.

### 13. General Shareholders information:

#### Company Registration Details:

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is **L34300PN1996PLC104510**.

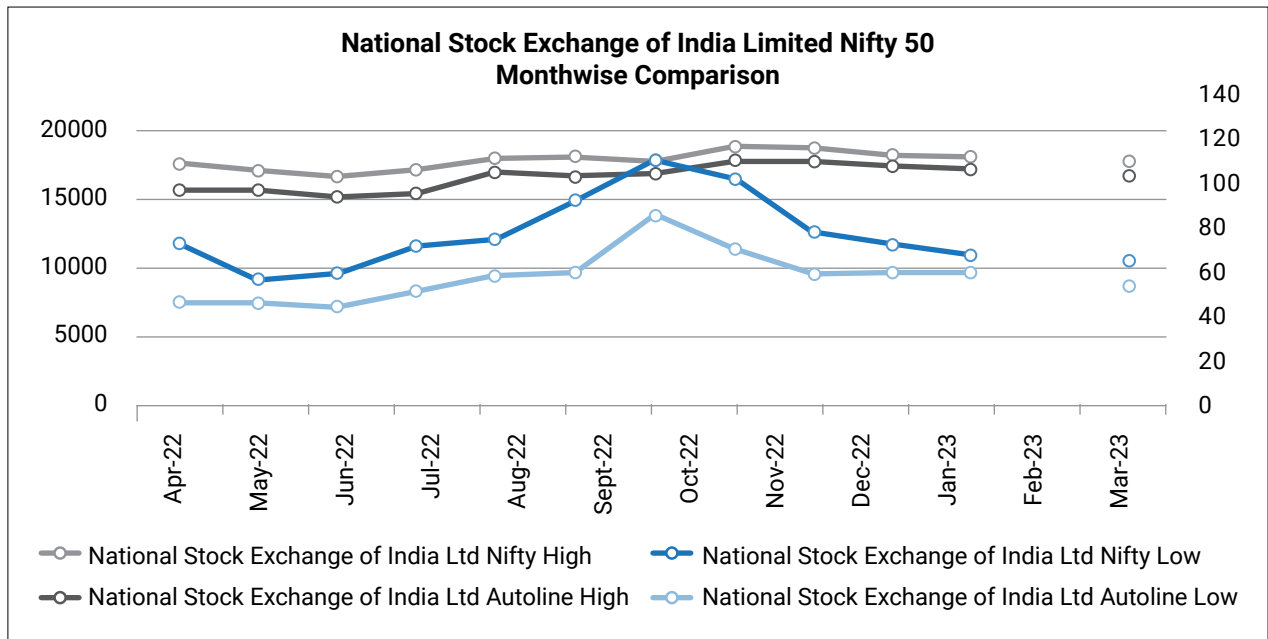
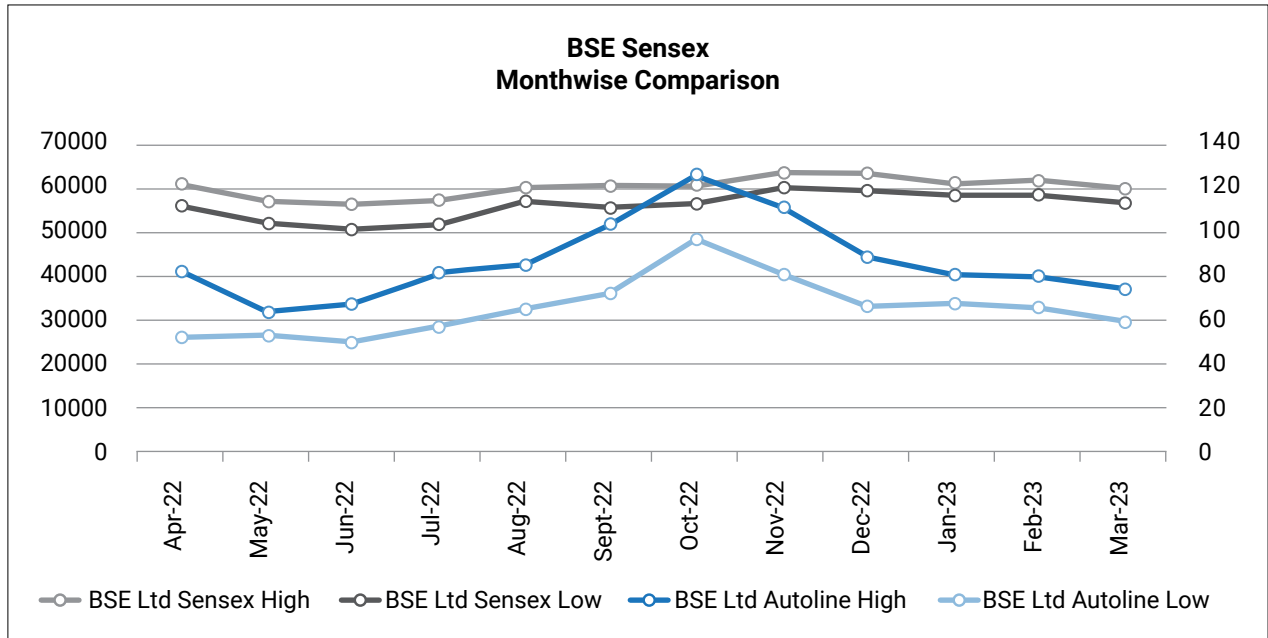
Sr. No.	Particulars	Information
<b>1.</b>	<b>Annual general meeting</b>	
	Day, Date and Time	Monday, September 25, 2023 at 2.30 p.m.
	Venue	In terms of the General Circular No. 2/2022 dated May 5, 2022 read together with General Circular No.14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021 and General Circular No. 10/2022 dated 28th December 2022 and the rules made thereunder (collectively referred to as ‘MCA Circulars’) and the Securities and Exchange Board of India (‘SEBI’) vide its circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and in relation to Relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 - COVID-19 pandemic (collectively referred to as ‘SEBI Circulars’); the Annual General Meeting (AGM) is scheduled at the Registered Office through Video Conferencing or Other Audio Visual Means, without the physical presence of the members at a common venue. Necessary public notices, publications and other arrangements have been made pursuant to the MCA circulars.
<b>2.</b>	<b>Financial calendar</b>	
	Financial year	April 1, 2023 to March 31, 2024
	Financial reporting	
	First quarter results	Second week of August 2023 (Tentative)
	Quarterly / Half-yearly results	Second week of November, 2023 (Tentative)
	Third quarter results	Second week of February, 2024 (Tentative)
	Fourth quarter and Annual Audited results	Fourth week of May, 2024 (Tentative)

Sr. No.	Particulars	Information
3.	Dates of book closure	N.A.
4.	Dividend payment date	N.A.
5.	Listing on Stock Exchanges and confirmation about payment of annual listing fee	BSE Limited (BSE) Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, India.  Annual Listing Fees for FY 2023-24 was duly paid.  National Stock Exchange of India Limited (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051, India.  Annual Listing Fees for FY 2023-24 was duly paid.
6.	Stock code - Scrip code	BSE: 532797 NSE: AUTOIND
7.	ISIN for Equity shares	INE718H01014
8.	Market price data and share price performance in comparison to broad based indices:	Monthly high and low quotations of shares traded on Stock Exchanges for the period from April 1, 2022 to March 31, 2023 is given below:

Month	BSE Ltd				National Stock Exchange of India Ltd			
	Autoline		Sensex		Autoline		Nifty	
	High	Low	High	Low	High	Low	High	Low
April-22	82.60	53.15	60845.10	56009.07	82.60	52.60	17559.80	15671.45
May-22	65.00	54.00	57184.21	52632.48	65.25	53.35	17132.75	15735.75
June-22	67.85	50.95	56432.65	50921.22	67.10	50.30	16793.85	15183.40
July-22	81.15	58.20	57619.27	52094.25	81.25	59.10	17172.80	15511.05
August-22	85.50	65.50	60411.20	57367.47	85.50	65.10	17992.20	17154.80
September-22	103.60	71.55	60676.12	56147.23	103.95	67.95	18096.15	16747.70
October-22	125.50	97.35	60786.70	56683.40	125.70	97.15	18022.80	16855.55
November-22	112.00	81.00	63303.01	60425.47	114.80	80.55	18816.05	17959.20
December-22	88.85	68.15	63583.07	59754.10	88.75	67.25	18887.60	17774.25
January-23	81.00	69.00	61343.96	58699.20	82.45	68.65	18251.95	17405.55
February-23	80.00	67.00	61682.25	58795.97	77.45	67.35	18134.75	17255.20
March-23	74.95	60.10	60498.48	57084.91	75.00	62.10	17799.95	16828.32



Share Price performance in comparison to broad based indices - NSE Nifty and BSE Sensex Share Price Movement (NSE and BSE)



<b>9. Registrar and Share Transfer Agents</b>	<p>Link Intime India Pvt. Ltd.  Block 202, 2<sup>nd</sup> Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune- 411001,  Phone: (020) - 26161629, 26160084  Fax: 020 26163503  Email address: <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a> <a href="mailto:pune@linkintime.co.in">pune@linkintime.co.in</a>  Web: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a></p>
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<b>10. Share transfer system</b>	<p>The Company ensures all the activities in relation to both physical and electronic share transfer facility are maintained by <b>Link Intime India Pvt. Ltd.</b> The Company submits a yearly compliance certificate ensuring above said compliance to the exchange as per Regulation 7(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. In terms of the requirements of Regulation 40 of the Listing Regulations, the request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with Depositories. Further, the request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form</p> <ul style="list-style-type: none"> <li>➤ Issue of duplicate securities certificate;</li> <li>➤ Claim from Unclaimed Suspense Account;</li> <li>➤ Renewal/ Exchange of securities certificate;</li> <li>➤ Endorsement;</li> <li>➤ Sub-division/Splitting of securities certificate;</li> <li>➤ Consolidation of securities certificates/folios;</li> <li>➤ Transmission; and</li> <li>➤ Transposition.</li> </ul> <p>In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.</p> <p>The time taken to process dematerialization of shares is 10 days upon receipt of documents from Depository Participant. The Company obtains from a Company Secretary in practice yearly certificate of compliance with share transfer formalities under Regulation 40 (9) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and files copy of the same with Stock Exchanges.</p>
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#### 11. Distribution of shareholding as on March 31, 2023.

No of equity shares held	No. of shareholders	% of shareholders	No of shares held	% of shareholding
1-500	17595	88.1027	1688581	4.3338
501-1000	1145	5.7333	916421	2.3520
1001-2000	578	2.8942	876916	2.2506
2001-3000	225	1.1266	577992	1.4834
3001-4000	84	0.4206	301942	0.7749
4001-5000	91	0.4557	426240	1.0940
5001-10000	140	0.7010	1000400	2.5676
10001 and above	113	0.5658	33174672	85.1437
<b>Total</b>	<b>19971</b>	<b>100.0000</b>	<b>38963164</b>	<b>100.0000</b>

**12. Shareholding as on March 31, 2023**

Sr. No	Category	No. of shares held	% of holding
<b>(A) Promoter &amp; Promoter Group</b>			
1	Indian		
a	Individuals	12011258	30.83
b	Bodies Corporate	1000000	2.57
2	Foreign	0	0
	Total shareholding of promoter and promoter group	13011258	33.39
<b>(B) Public</b>			
<b>(I) Institution</b>			
a	Foreign Portfolio Investor	0	0
b	Financial Institutions/ Banks	2702702	6.94
c	Alternate Investment Funds	4794520	12.31
	Sub Total B (I)	7497222	19.24
<b>(II) Non Institutions</b>			
a	Individual shareholders holding nominal share capital up to ₹ 2 lakhs	5617847	14.42
b	Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs	6115459	15.70
c	NBFC's registered with RBI	0	0.00
d	IEPF	29883	0.08
c	Foreign Nationals	10763	0.03
d	Hindu Undivided Family	345750	0.89
e	Foreign Companies	3388894	8.70
f	Non Resident Indians (Non Repat+ Repat)	1885142	4.84
g	Clearing Member	17621	0.05
h	Bodies Corporate	1043325	2.68
	Sub Total B (II)	18454684	47.36
	Total Public shareholding B = B (I) + B (II)	25951906	66.60
<b>(C) Shares held by Custodians against which depository receipts have been issued</b>		0	0.00
<b>TOTAL = (A) + (B) + (C)</b>		<b>38963164</b>	<b>100</b>

<b>13. Dematerialization of shares and liquidity</b>	<p>As on March 31, 2023 total shares in Demat were 38857509 i.e. 99.72% of paid-up equity share capital of the Company.</p> <p>*SEBI effective from April 1, 2019, barred physical transfer of shares of listed companies and mandated transfer only through Demat mode. However, investors are not barred from holding shares in physical format.</p>
<b>14. Outstanding GDR/warrants or convertible bonds, conversion dates and likely impact on equity:</b>	<p>There are no outstanding GDR/warrants or convertible bonds. The Company has converted the Warrants on June 1, 2022 as under:</p> <p>Nos. of convertible warrants: 1000000</p> <p>Conversion date: June 1, 2022</p> <p>The Share capital of the Company increased to 389631640 (38963164 Equity shares having face value of ₹10/- each) on June 1, 2022</p>
<b>15. Commodity price risk or foreign exchange risk and hedging activities</b>	<p>Nil</p>

<b>16. Plant/ unit locations:</b>	<p>Units in India</p> <ol style="list-style-type: none"> <li>i. S. Nos. 291 to 295, Nanekarwadi, Taluka -Khed, Dist.-Pune- 410 501 (Chakan-I unit)</li> <li>ii. S. Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka Khed, Pune - 410 501 (Chakan-II Unit).</li> <li>iii. Plot Nos. 5, 6, and 8, Sector 11, IIE,TML Vendor Park, SIDCUL, Rudrapur, Uttarakhand - 263 153.</li> <li>iv. Plot No. 186A of Belur Industrial Area, Dharwad</li> <li>v. Survey No.53, 36/2, 36/3, situated at Moorthigana Dinna Village, Dasaripalli, Hosur Bagalur Road, Hosur Taluk, Tamil Nadu – 635109</li> </ol>
<b>17. Address for correspondence:</b>	<p>Shilpa Walunj Company Secretary Autoline Industries Limited Survey Nos. 313, 314, 320 to 323, Nanekarwadi, Chakan, Taluka- Khed, Dist- Pune: 410501, Tel: +91 2135- 635857; Fax: +91 2135- 635853/64 Email: <a href="mailto:shilpa.walunj@autolineind.com">shilpa.walunj@autolineind.com</a> Website: <a href="http://www.autolineind.com">www.autolineind.com</a></p>
<b>18. Investor Grievance Cell</b>	Email: <a href="mailto:investorservices@autolineind.com">investorservices@autolineind.com</a>

**19. Other Disclosures****a) Disclosures on materially significant related party transactions**

The Company has formulated a policy on the materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the Board of directors and such policy is reviewed by board of directors as and when required but at least once in three years and updated to comply with applicable laws and regulations including SEBI LODR, Companies Act, 2013 & Rules, Regulations made and Circulars, Guidelines and notifications issued thereunder and applicable Indian Accounting Standards (IND AS) including any amendment or modification thereof. All the Related Party Transactions other than transactions between the Company and wholly owned subsidiaries whose accounts are consolidated with the company and placed before the shareholders at the general meeting for approval were approved by the Audit Committee and also by the Board, wherever necessary. The Audit Committee has also granted omnibus approval for related party transactions that were repetitive in nature by following all the requirements as laid down in the Companies Act, Rules made thereunder and Clause 23 (3) of SEBI LODR Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their subsidiaries, associates/relatives which may have a potential conflict with the interest of the Company at large.

Transactions entered into by the Company with the related parties during the year were periodically placed before the Audit Committee for review. The register of Contracts containing transactions, in which directors are interested, was placed before the Board regularly. The Company discloses to the Stock exchanges all material transactions, if any, with related parties quarterly along with the compliance report on corporate governance. The Company also files related party transactions with the stock exchanges within 30 days from the date of publication of its standalone and consolidated financial results for the half year and also publish the same on website. Related party transactions are disclosed in the Notes to Accounts forming part of this Annual Report.

**b) Statutory Compliance, Penalties and Strictures**

The Company has complied with the various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital markets except to the observations made in the Secretarial Audit Report forming part of this Annual Report. No penalties or strictures have been imposed by them on the Company.

**c) Vigil Mechanism**

The Company has a well-established Vigil (Whistle Blower) Mechanism in the form of a Whistle Blower Policy for its Directors, employees and stakeholders to freely communicate their concerns about illegal and unethical practices, actual or suspected fraud or violation of the company's code of conduct or

ethics policy. The Mechanism is providing adequate safeguards against the victimization of persons who use such mechanism. For early detection of potential violations of the Code whistleblower have the right to access the respective functional Heads, HR Manager, Compliance officer, Chairman or any member of the audit committee and there is provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. In case of repeated frivolous complaints being filed by a Director or an employee, the Audit Committee may take suitable action against the concerned director or employee including reprimand. The details of establishment of the vigil mechanism is displayed on the website <http://www.autolineind.com/code-of-conduct-policies>

**d) Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all mandatory requirements and adopted non-mandatory requirements as mentioned in this Report, under SEBI LODR Regulation.

**e) Web link where policy for determining 'material' subsidiaries disclosed:**

The same is available at website <http://www.autolineind.com/code-of-conduct-policies>

**f) Material Non-listed Indian Subsidiary Company**

The Company is having one material Non-listed Indian Subsidiary Company viz. Autoline Industrial Parks Limited. The Company have appointed CA Vijay Thanawala, an Independent Director of the Company on the Board of Autoline Industrial Parks Limited.

The Audit Committee of the Company reviewed the financial statements, in particular investment made by Autoline Industrial Parks Limited.

During the year, the minutes of the Board meetings of the Autoline Industrial Parks Limited were placed at the Board meeting of the Company. The management of the Autoline Industrial Parks Limited had periodically brought to the attention of the Board of the Company, a statement of all significant transactions and arrangements entered into by the Autoline Industrial Parks Limited.

Autoline Industrial Parks Limited is incorporated on August 31, 2007 at Pune.

M/s. Sharp & Tannan Associates, Chartered Accountants (FRN: 109983W) is appointed as the statutory auditors of Autoline Industrial Parks Limited.

The Company has formulated a policy for determining material subsidiaries and said policy is disclosed on <http://www.autolineind.com/code-of-conduct-policies>

**g) Web link where policy on dealing with related party transactions**

The Company policy on dealing with related party transactions is available on the website of the Company i.e. <http://www.autolineind.com/code-of-conduct-policies>

**h) Disclosure of commodity price risks and commodity hedging activities**

The Company did not identify any risk from commodity prices and commodity hedging activities.

**i) Details of utilization of funds raised through preferential allotment or qualified institutions placement during the year as specified under Regulation 32 (7A) -**

The Company on June 2 and 3, 2021 has allotted 70,00,000 equity shares at a price of ₹ 40/- each upon receipt of full subscription amount to the Promoters and Public Investors and allotted 10,00,000 Warrants to the Promoters at a price of ₹ 45/- each upon receipt of 25% upfront amount. The 10,00,000 warrants allotted to Promoters were converted into Equity Shares on June 1, 2022 upon receipt of balance 75 % consideration.

The funds raised through this Preferential Issue were utilized for repayment of loans, working capital requirements and other general corporate purposes.

**j) Certificate from Practicing Company Secretary:**

The Company has received a certificate from Mr. Sunil Nanal, Practicing Company Secretary to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. The same forms part of this report.

**k) During the year, there are no instances where the Board had not accepted the recommendation of any committee of the board which is mandatorily required.**



**l) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

During the year, the Company has paid to the statutory Auditors total fees as mentioned in Note No. 33.1 of Consolidated Financial results for all services received by the listed entity and its subsidiaries.

**m) Complaints pertaining to Sexual Harassment:**

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of complaints filed in the Company during the financial year 2022-23– Nil
- b. Number of complaints disposed of during the financial year 2022-23 – Nil
- c. Number of complaints pending in the Company at the end of the financial year 2022-23– Nil

**n) During the year under review, the Company obtained the Credit Ratings from Infomeric Valuation and Rating Pvt Ltd (“IVR/Infomerics”), which are as follows:**

- a. IVR B+/ Stable (IVR B plus with Stable outlook) for long-term bank facilities
- b. IVR A4 (IVR A Four) for short-term bank facilities.

The Company does not have any fixed deposit program or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31 March 2023.

**o) Loans and Advances given by the Company and its subsidiaries in the nature of loans to Subsidiaries or firms/companies in which directors are interested:** the said information is provided as a separate Note of Related Party Transactions, which forms part of Financial Statements annexed to this Annual Report.

**p) Web link where the terms and conditions of appointment of independent directors are disclosed:**

The terms and conditions of appointment of independent directors are incorporated in the letter of Appointment of Independent Director and be directly accessed at web link: <http://www.autolineind.com/code-of-conduct-policies>

Web link where composition of various committees of Board of Directors:

The composition of various committees of Board of Directors disclosed on <http://www.autolineind.com/committees/>

**q) Code of Conduct**

The Board of Directors at its meeting held on August 4, 2006 has adopted Code of Business Conduct and Ethics for Directors and Senior Management and the Board further at its meeting held on February 3, 2015 adopted the fresh Code of Conduct. The duties of Independent directors are suitably incorporated in the Code of Conduct. Senior management have to disclose all material, financial and commercial transactions where they have personal interest that may have potential conflict with the interest of the Company. The said code has been communicated to the Directors and members of the senior management. Directors and senior Management have affirmed compliance with the code. A declaration to this effect signed by Managing Director is given in this Annual Report. The code has also been displayed on the Company's website - [www.autolineind.com](http://www.autolineind.com).

**r) Insider Trading**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company had adopted a 'Code of Conduct for prevention of Insider Trading' ('the Code') with effect from April 1, 2007.

Later, with coming into effect of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company further adopted a Code of Fair Disclosure on May 14, 2015 and amended the 'Code of Conduct for prevention of Insider Trading' ('the Code') in its meeting held on May 27, 2015.

Further, as per the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, as amended from time to time the Company has amended a Code of Fair Disclosure w. e. f. April 1, 2019.

Both the codes are applicable to all Directors, such designated persons, employees and others who are expected to have access to unpublished price sensitive information relating to the Company. For the purposes of monitoring adherence to the Regulations CS Shilpa

Walunj Company Secretary of the Company is acting as Compliance officer of the company.

s) **Non-Compliance of any requirement of Corporate Governance report:** During the year under review, the Company has complied with all the requirement of Corporate Governance report.

t) **Discretionary Requirements under Regulation 27(1) and Part E of Schedule II of SEBI (LODR) Regulations, 2015.**

A. **The Board:** The Office of the Chairman of the Board is held by a Non-Executive Director at the Company's expense and the Chairman is also allowed reimbursement of expenses incurred in the performance of his duties.

B. **Shareholders' Rights:** A half-yearly declaration of financial performance including summary of the significant events in last six-months, as on date, is not sent to each household of shareholders. However, the Company's quarterly & financial results are published in English and regional language newspapers having wide circulation in addition to dissemination the same in the websites of BSE, NSE and Company.

C. **Modified Opinion in Audit Report:** There is no modified opinion in Audit Report on the financial statements for the financial year 2022-23.

D. The Company appointed separate persons to the post of the Chairperson and the Managing Director, such that the Chairperson is a non-executive director and not related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.

E. **Reporting of Internal Auditor:** The Internal auditor reports directly to the Audit Committee.

u) **Disclosures regarding compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of the sub regulation (2) of Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015:** During the year under review, Compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of the sub regulation (2) of Regulation 46 of SEBI (Listing Obligation and

Disclosure Requirement) Regulations, 2015 has been made and disclosure of the same has been submitted to the Stock Exchanges.

v) **Disclosures with respect to Unclaimed Securities Suspense Account as specified in Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.**

In compliance with erstwhile Clause 5A of the Listing Agreement, the Company has opened a demat account in the name of "Autoline Industries Limited-Unclaimed Securities Suspense Account" for the purpose of transferring the unclaimed shares. (Previously the account was maintained by R & T Agents, Link Intime India Pvt. Ltd.)

As and when any shareholder approaches the Company or the Registrar and Transfer Agent (RTA) to claim the said shares, the same shall be credited to the demat account/transferred to the respective shareholder after due verification.

Disclosure with respect to shares lying in suspense account:

Particulars	No. of shareholders	No of shares
Aggregate number of shareholders and the outstanding shares in the Demat Suspense Account lying as on April 1, 2022	9	249
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil	Nil
Number of shareholders to whom the shares were transferred from the suspense account during the period	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	9	249

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

## DECLARATION BY THE CEO UNDER SCHEDULE – V PART- D OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, REGARDING ADHERENCE TO CODE OF CONDUCT

In accordance with Schedule – V Part- D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm that all the Directors and the senior management personnel of the company have affirmed compliance to their respective Code of Conduct as applicable to them for the financial year ending March 31, 2023.

For **Autoline Industries Limited**

**Shivaji Akhade**

Managing Director & CEO

DIN: 00006755

Pune, May 18 2023

### CEO and CFO Certification

To  
The Board of Directors  
**Autoline Industries Limited**

We, Shivaji Akhade, Managing Director & CEO and Venugopal Pendyala, Chief Financial Officer, certify that:

- A. We have reviewed the Financial Statements and Cash Flow Statement for the Financial Year ending as on March 31, 2023 of the Company and to the best of our knowledge and belief;
  1. These statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading;
  2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and:
  1. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting.
  2. We have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls and necessary steps have been taken to rectify these deficiencies.
- D. We have disclosed to the Auditors and the Audit committee:
  1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements
  3. Instances of significant fraud of which we are aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Autoline Industries Limited**

**Shivaji Akhade**  
Managing Director & CEO  
DIN: 00006755

**Venugopal Pendyala**  
Chief Financial Officer

Pune, May 18 2023

## COMPLIANCE CERTIFICATE FROM THE PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

### PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,  
Members,  
**Autoline Industries Limited**

We have examined all the relevant records of Corporate Governance of Autoline Industries Limited (hereinafter called "the Company") for the year ended 31st March 2023, for the purpose of certifying compliance of the conditions of Corporate Governance as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 34 (3) read with regulations 17 to 27, Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations for the period 1st April 2022 to 31st March 2023.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. The certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to explanations given to us and based on the representations made by the Directors, Company Secretary and the Management, we certify that the Company has complied with the provisions of Corporate Governance specified in Regulation 17 to 27, Clauses (b) to (i) of Sub Regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company and this Certificate is issued solely for the purpose of complying with the aforesaid LODR and may not be suitable for any other purpose.

**For KANJ & CO LLP,**  
Company Secretaries

**Sunil Nanal**

Partner

FCS No.: 5977

C P No.: 2809

UDIN: F005977E00571267

Firm Unique Code: P2000MH005900

Peer Review Number: PR 1331/2021

Date: 08/07/2023

Place: Pune

## CERTIFICATE BY PRACTISING COMPANY SECRETARY

[Pursuant to Schedule V read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)]

To,  
The Members,  
**Autoline Industries Limited,**  
Pune

On the basis of examination of the declarations made by the Directors and other records of Autoline Industries Limited (hereinafter referred to as "the Company") having its Registered Office at S. No. 313, 314, 320 to 323, Nanekarwadi, Tal. Khed, Dist. Pune-410501, we certify that:

None of the Following Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI)/Ministry of Corporate Affairs (MCA) or any such statutory authority, as per the requirements of Schedule V read with Regulation 34 (3) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, for the period commencing from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023:

Sr. No.	Name of Director	DIN
1.	Vijay Kantilal Thanawala	00001974
2.	Sudhir Vithal Mungase	00006754
3.	Shivaji Tukaram Akhade	00006755
4.	Prakash Baburao Nimbalkar	00109947
5.	Rajashri Sai	07112541
6.	Sridhar Ramachandran	07706213

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these matters 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 KANJ & CO LLP,**  
Company Secretaries

**Sunil Nanal**

Partner

FCS No.: 5977

C P No.: 2809

UDIN: F005977E00571267

Firm Unique Code: P2000MH005900

Peer Review Number: PR 1331/2021

Date: 08/07/2023

Place: Pune



# Independent Auditor’s Report

To the members of AUTOLINE INDUSTRIES LIMITED

Report on the audit of the Standalone Financial Statements

## Opinion

We have audited the accompanying Standalone Financial Statements of **AUTOLINE INDUSTRIES LIMITED** (hereinafter referred as “the Company”), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter collectively referred as the “Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred as “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 (hereinafter referred as “Ind AS”) and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2023, its profit, other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

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

## Key Audit Matters

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

S. No.	Key Audit Matter (KAM)	Auditor’s Response
1	<p><b>Revenue Recognition:</b></p> <p>The Company’s revenue is derived from the sale of sheet metal stampings, welded assemblies, and moulds for the automotive industry. The Company recognizes revenue when the control is transferred to the customer.</p> <p>The terms set out in the Company’s sales contracts relating to goods acceptance by customers are varied. Accordingly, the terms and conditions of sales contracts may affect the timing of recognition of sales to customers as each sales contract could have different terms relating to customer acceptance of the goods sold.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>assessed the design and operating effectiveness of the Company’s controls around revenue recognition and measurement</li> <li>assessed the appropriateness of the Company’s identification of performance obligations in its contracts with customers, its determination of transaction price, including allocation thereof to performance obligations and accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115</li> <li>scrutinized sales ledgers to verify the accuracy and completeness of sales transactions</li> </ul>

S. No.	Key Audit Matter (KAM)	Auditor's Response
	<p>We identified the recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and is, therefore, subject to an inherent risk of misstatement to meet targets or expectations and because errors in the recognition of revenue could have a material impact on the Company.</p>	<ul style="list-style-type: none"> <li>• on a sample basis, tested the revenue recognised including testing of cut off assertion as at the year end</li> <li>• assessed the revenue recognised with substantive analytical procedures including review of price, quantity and product mix variances and analysis of discounts at the customer level</li> <li>• circularized balance confirmations to a sample of customers and evaluated the responses</li> <li>• Assessed the disclosures made by the Company.</li> </ul>
2	<p><b>Going Concern:</b></p> <p>As of 31 March 2023, the Company's total liabilities did not exceed its total assets, however, the company is continuously incurring losses over the past year, for the year ending March 31, 2023, it has earned profits. Note 3.5 to the financial statements explains how the directors of the Company have formed a judgement that the going concern basis is appropriate in preparing the financial statements.</p> <p>The directors of the Company made their assessment of going concern by preparing a cash flow forecast in which some key assumptions were applied.</p> <p>These key assumptions included forecasts of sales volumes, average selling prices, raw material costs and the availability of banking and other financing facilities as well as financial support from the Promoters.</p> <p>We identified going concern as a key audit matter due to the significant degree of management judgement required in assessing and forecasting the company's future cash flows, which are inherently uncertain. Furthermore, management judgement and uncertainties could have a significant impact on the preparation of financial statements and may be subject to management bias.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding &amp; walking through the business planning process and assessing the design, implementation, and operating effectiveness of management's key internal controls over the assessment of going concern, including the preparation of cash flow forecasts &amp; liquidity assessment.</li> <li>• We assessed the accuracy of management's cash flow forecasts by analyzing the key assumptions used, such as future revenue, gross profit, operating expenses, and capital expenditure with reference to historical production data, current performance, internal investment and production plans, as well as external market information.</li> <li>• Considering the accuracy and reliability of cash flow forecasts made by management in prior years by comparing them with the current year's results.</li> <li>• We evaluated the availability of banking and financing facilities by examining relevant documentation, including banking facility agreements signed before and after the reporting period. Additionally, We assessed the impact of any covenants and restrictive terms contained within these agreements.</li> <li>• We also verified whether any waivers were obtained from the financial institutions from which borrowings were made.</li> <li>• Assessed the disclosures made by the Company in this regard.</li> </ul> <p>Based on our procedures we noted that the key assumptions used in the forecasts were within a reasonable range of our expectations.</p>

S. No.	Key Audit Matter (KAM)	Auditor's Response
3	<p><b>Contingent Liabilities:</b></p> <p><b>Evaluation of uncertain tax positions</b> (Refer to Note 40 to the standalone financial statements)</p> <p>The company is currently involved in assessment proceedings and related litigations with direct and indirect tax authorities, as well as certain other parties. Estimating the probable outflow of economic resources and determining the appropriate level of provisioning and/or disclosures required involves a high level of management judgement. The management's judgement is supported by advice from independent tax and legal consultants, as deemed necessary. Any unexpected adverse outcomes could have a significant impact on the company's reported profit and financial position.</p> <p>We identified this area as a key audit matter due to the uncertainty of the final result and the significant management judgement in assessment.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>We gained an understanding of how to identify claims, litigations, and contingent liabilities. We identified key controls in the process and performed tests on selected controls.</li> <li>We obtained a summary of the company's legal and tax cases and assessed management's position by discussing the probability of success in significant cases and the potential magnitude of any loss with the Legal Counsel, Head of Tax, and operational management.</li> <li>The current status of direct and indirect tax assessments/litigations was reviewed.</li> <li>Recent orders and communication received from tax authorities and certain other parties were read, along with management responses to such communication.</li> <li>When relevant, we read the most recent independent tax/legal advice obtained by management and evaluated the grounds presented therein.</li> <li>The adequacy of disclosure in the standalone financial statements was assessed.</li> </ul> <p>Based on the above procedures, we did not identify any material exceptions relating to management's assessment of provisions and contingent liabilities.</p>

**Information other than the Standalone Financial Statements and Auditor's Report thereon (hereinafter referred as "other information")**

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not include the Standalone Financial Statements and our report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance and/or conclusions thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Board of Directors' Responsibilities for the Standalone Financial Statements**

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

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

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

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

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

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

- a) Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of directors.

- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Other Matters:

The standalone financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor and had issued an unmodified opinion vide report dated May 28, 2022.

Our opinion is not modified in respect of this other matter.

## 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 in terms of Section 143 (11) of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act and based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows statement dealt with by this report agree with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over the 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; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as of March 31, 2023, on its financial position in its Standalone Financial Statements - Refer to note 40 to the Standalone Financial Statements.
    - ii. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company 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, 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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement; and
- v. During the year Company as not declared/ paid any dividend hence reporting under rule 11 (f) is not applicable to that extent.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- h) 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, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to director by the company is in excess of the limit laid down under Section 197 of the Act, where requisite approvals are taken in the general meeting. The ministry of corporate affairs has not prescribed other details under section 197(16) which are required to comment upon by us.

**SHARP & TANNAN ASSOCIATES**

Chartered Accountants

Firm’s Registration No.: 0109983W

by the hand of

**CA Arnob Choudhuri**

Partner

Membership No.: (F) 156378

**UDIN: 23156378BGXJCV4788**

Pune, May 18, 2023

**Annexure A to the independent auditor’s report on the standalone financial statements of Autoline Industries Limited for the year ended 31st March 2023**

**(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” Section of our report on even date)**

- (i) (a) According to the information and explanation given to us and records examined by us.
  - (A) The Company has maintained proper records showing full particulars, including quantitative details and the situation of the Property, Plant and Equipment (PPE) of the Company.
  - (B) The Company has maintained proper records showing full particulars of the Intangible assets of the Company.
- (b) The Company has a program of verification of PPE to cover all the items in a phased manner

over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain PPE were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed in such verification.

- (c) we report that the title deeds, comprising all the immovable properties of land and buildings, (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company as at the balance sheet date, except for the following;

Description of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether the title deed holder is a promoter, director or their relative or employee	Period held - indicate the range, where appropriate (years)	Reason for not being held in the name of the Company
Land and buildings at Khasra no.423, SIDCUL, Plot no. 5 Uttarakhand.	22.86	M/s Nirmiti Auto Components Pvt. Ltd.	No	Since, March 2011	The lease deed is held in the name of M/s Nirmiti Auto Components Pvt. Ltd. which was amalgamated with the company.

- (d) We report that the company has not made any revaluation of PPE (including Right of use assets) or intangible assets or both during the year. Accordingly, reporting on paragraphs 3 Clause (i) (d) of the Order is not applicable to the Company.
- (e) We report that there is 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, reporting on paragraphs 3 Clause (i) (e) of the Order is not applicable to the Company.
- (ii) In our opinion and according to the information and explanations given to us;
  - (a) The physical verification of inventory has been conducted at reasonable intervals by the

management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. Inventory lying with the third parties has been substantially confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more and have been appropriately dealt with in the books of accounts.

- (b) during the year company has renewed/sanctioned its working capital facility in excess of five crores rupees, in the aggregate, from banks on the basis of security of current assets; based on our verification of quarterly statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company, except as mentioned below;

Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	(₹ in Lakhs)
			Amount of difference
<b>As on 30-06-2022</b>			
Inventories	5,275.78	4,683.00	-592.78
Book Debts	2,671.54	2,540.00	-131.54
Creditors	6,375.53	3,667.00	-2,708.53
<b>As on 30-09-2022</b>			
Inventories	5,123.91	5,045.00	-78.91
Book Debts	2,567.82	1,723.00	-844.82
Creditors	6,482.27	3,612.00	-2,870.27
<b>As on 31-12-2022</b>			
Inventories	5,416.21	5,386.00	-30.21
Book Debts	2,776.34	1,586.00	-1,190.34
Creditors	6,929.12	4,458.00	-2,471.12
<b>As on 31-03-2023</b>			
Inventories	4,914.40	4,791.00	-123.40
Book Debts	2,702.00	2,153.00	-549.00
Creditors	7,314.24	4,564.00	-2,750.24

(iii) In our opinion and according to the information and explanations given to us;

(a) During the year the Company has made investments in one subsidiary & given a loan (ICD) to four subsidiaries. The company has not provided security & a guarantee to the subsidiary, Associates & Joint ventures and other parties other than subsidiaries, associates & Joint ventures. The aggregate amount during the year and the balance outstanding at the Balance Sheet date with respect to such investment made in the subsidiary & loans given to the subsidiaries are as per the table given below;

Particulars	(₹ In Lakhs)	
	Investment Loans (ICD)	
<b>Aggregate amount of investment made &amp; loan granted/provided during the year</b>		
Subsidiaries Company	*0.99	931.77
Other Parties (Employees)		35.77
<b>Balance outstanding as at balance sheet date in respect of above cases</b>		
Subsidiaries Company	*0.99	1,275.84
Other Parties (Employees)		6.06

\* Fresh Investment has been made during the year, in a new subsidiary (Autoline E-mobility Private Limited).

(b) In respect of the aforesaid investment made and loans given, the terms and conditions under which such loans were granted/investments were made are not prejudicial to the Company's interest.

(c) According to the information and explanation given to us and based on the audit procedures performed by us, in respect of ICD granted during the year by the Company to the subsidiaries as referred in clause (iii)(a) are repayable on demand and no repayment schedule is stipulated; accordingly, we are not able to comment on the regularity of the payment.

(d) According to the information and explanation given to us and based on the audit procedures performed by us, with respect to loans granted during the year to subsidiaries are receivable on demand and repayment schedule is not stipulated for the same and accordingly, we are not able to comment on the total amount overdue for more than ninety days and whether the company have taken reasonable steps for recovery of that amount.

(e) There were no loans/advances in the nature of the loan which fell due during the year and were renewed/extended. Further, no fresh loans were granted to the same parties to settle the existing overdue loans/advances in the nature of the loan.

(f) Following loans were granted during the year, including to related parties under Section 2(76),

which are repayable on demand or where no schedule for repayment of principal and payment of interest has been stipulated by the company.

(₹ In Lakhs)

Particulars	All Parties	Related Parties
<b>The aggregate amount of loans in nature of loans</b>		
- Repayable on demand (A)	1,275.84	1,275.84
- Agreement does not specify any terms or period of repayment (B)		
<b>Total (A+B)</b>	<b>1,275.84</b>	<b>1,275.84</b>
<b>Percentage of loans in nature of loans to the total loans</b>	<b>99.56%</b>	<b>99.56%</b>

- (iv) According to the information and explanation provided to us, in respect of loans, investments, guarantees and security, the Company has complied with provisions of Section 185 and Section 186 of the Act.
- (v) According to the information and explanations given to us, there is no public deposit as such in the company during the year and no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve

Bank of India or any Court or any other Tribunal. Accordingly, reporting on paragraphs 3 Clause (v) of the Order is not applicable to the Company.

- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Accordingly, reporting under paragraph 3 clause (vi) of the Order is not applicable to the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) There were delays by the Company in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, and other material statutory dues have not regularly deposited with the appropriate authorities by the company and there have been serious delays in a large number of cases.

According to the books and records as produced before us and examined by us, the following undisputed statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(₹ In Lakhs)

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax Deducted at the source	90.35	July 2022 to	7th of next	# 01/04/2023
	The tax collected at Source	25.27	September 2022	month	to 02/05/2023
Goods and Service Tax Act	Goods and Service Tax (UKD)	44.72	April 21 to March 22	20th of next month	-
		201.29	April-2019 to March 2022	20th of next month	-
		131.93	March 2020 to September 2022		
Property Tax	Gram Panchayat Tax	25.50	From FY 2017-18 to FY 2020-21	31st May/ 31st Dec	-

# Amount of TDS of ₹ 90.35 Lakhs and TCS of ₹ 25.27 Lakhs has been paid subsequently.

- (b) There are no statutory dues referred to in sub-clause (a) as at March 31, 2023, which have not been deposited on account of a dispute, except as mentioned below:

(₹ In Lakhs)

Name of the Statute	Nature of disputed dues	Amount Involved	Amount paid	Amount Unpaid	Period to which it relates	Forum where the dispute is pending
The Maharashtra Value Added Tax Act, 2002	VAT	264.21	-	264.21	F.Y. 2013-14	Maharashtra State Tribunal
	WCT	87.33	-	87.33		
The Uttarakhand (UKD) Value Added Tax Act 2005	UKD-CST	46.60	-	46.60	F.Y. 2013-14	The Jt. Commissioner of States Tax
	UKD-VAT	151.67	24.78	126.89	F.Y. 2017-18	
Provident Fund	Provident fund	60.77	26.71	34.06	Apr-2016 to Nov-2016	Regional PF Commissioner- Pune-II

- (viii) According to the information & explanations given to us and the records examined by us, there are no such transactions that are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting on paragraph 3 clause (viii) of the Order is not applicable to the Company.

- (ix) According to the information and explanations given to us and the records examined by us;

- (a) the Company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to banks and financial institutions. The summary of the period and the amount of default is as follows.

(₹ In Lakhs)

Nature of Borrowing	Name of Lender	Principal		Interest	
		Total amount not paid on the due date	Total no of days delay during the year for various EMI's*	Total amount not paid on the due date	No of days Delay
Rupee Term Loan	Bank of Baroda	53.59	11#	-	-
Rupee Term Loan	Tata Motors Finance Solutions Limited	820.87	197##	391.11	257#
<b>Grand Total</b>		<b>874.46</b>		<b>391.11</b>	

\*Represent that the cumulative days of delay of repayment of EMI in the current year.

# Maximum no. delay of repayment of loan is 4 days.

## Maximum no. of delays for various EMI's are 6 days however in case of four EMI's maximum no. of delays are 17 days.

- (b) the company has not been declared a wilful defaulter by banks or financial institutions or other lenders Accordingly, reporting on paragraph 3 clause (ix) (b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
- (d) According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on a short-term basis have been used for long-term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies. Accordingly, reporting on paragraph 3 clause (ix) (f) of the Order is not applicable to the Company.



- (x) According to the information and explanations given to us and the records examined by us,
- (a) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly reporting on paragraph 3 clause (x) (a) of the order is not applicable to the company.
- (b) During the year the Company has made preferential allotment as per the provision of the act and regulation made by the securities exchange board of India and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the fund raised has been used for the purpose for which it was raised. During the year the company has not made the private placement of shares or convertible debentures (fully, partially, or optionally convertible).
- (xi) According to the information and explanations given to us and the records examined by us,
- (a) Based upon the audit procedures performed by us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of any such case by the management.
- (b) Based on the audit procedures performed by, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the company.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 clause (xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and the records examined by us,
- (a) 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 the balance sheet date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence reporting on compliance with the provisions of section 192 of the Companies Act, 2013 under clause 3(xv) of the order is not applicable to the company.
- (xvi) According to the information and explanations given to us and the records examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3 Clause (xvi) (a), (b), (c) and (d) of the order is not applicable to the company.
- (xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the current year as well as for the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting on paragraph 3 Clause (xviii) of the order is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, and other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that

any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanation given to us and on the basis of the accounts and records examined by us, we report that Section 135 of the Companies Act of 2013 does not apply to the company and hence the Company has not carried out CSR activities in accordance

with Section 135 of the Companies Act 2013. Accordingly, paragraph 3 clause (xx) (a) and (b) of the order are not applicable to the company.

(xxi) The reporting under paragraph 3 clause (xxi) of the Order is not applicable in respect of the audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**SHARP & TANNAN ASSOCIATES**

Chartered Accountants

Firm's Registration No.: 0109983W

by the hand of

**CA Arnob Choudhuri**

Partner

Membership No.: (F) 156378

**UDIN: 23156378BGXJCV4788**

Pune, May 18, 2023

## Annexure B to the independent auditor's report on the standalone financial statements of Autoline Industries Limited for the year ended 31st March 2023

(Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report on even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) Section 143 (3) of the Companies Act, 2013 ("the Act")

#### Opinion

We have audited the internal financial controls over financial reporting of AUTOLINE INDUSTRIES LIMITED (hereinafter referred as "the Company") as of March 31, 2023, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, 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, 2023, based on the internal financial 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 (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

#### Board of Directors' Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note. 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 and the Standards on Auditing issued by ICAI and deemed to be prescribed Under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 Standalone 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:

- (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; and
- (2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of Standalone Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

### **Inherent Limitations of Internal Financial Controls 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.

#### **SHARP & TANNAN ASSOCIATES**

Chartered Accountants

Firm's Registration No.: 0109983W

by the hand of

#### **CA Arnob Choudhuri**

Partner

Membership No.: (F) 156378

**UDIN: 23156378BGXJCV4788**

Pune, May 18, 2023

# Balance Sheet

At at March 31, 2023

Particulars	Note No.	₹ in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4.1	9,603.26	10,306.78
(b) Capital work in progress	4.2	387.53	125.97
(c) Other Intangible assets	4.3	51.94	4.02
(d) Intangible assets under development	4.4	-	269.29
(e) Right of use Assets	4.5	331.44	306.16
(f) Investment in subsidiaries	5	7,582.60	7,582.25
(g) Financial Assets			
(i) Investments	5a	10.00	10.00
(ii) Other financial assets	6	125.28	124.87
(h) Income tax assets (net)	7	281.47	387.00
(i) Deferred tax assets (MAT Credit)	8	1,338.87	1,338.87
(j) Other Non-current assets	9	832.67	1,204.22
<b>Total non-current assets</b>		<b>20,545.06</b>	<b>21,659.43</b>
<b>2 Current assets</b>			
(a) Inventories	10	4,914.40	4,949.01
(b) Financial Assets			
(i) Trade Receivables	11	7,371.03	10,822.57
(ii) Cash and cash equivalents	12	2.59	4.23
(iii) Bank balances other than (ii) above	13	441.49	457.09
(iv) Loans and advances	14	1,281.90	528.30
(v) Other Financial assets	15	31.33	65.17
(c) Other current assets	16	784.48	836.88
(d) Assets held for Sale	16a	-	633.29
<b>Total current assets</b>		<b>14,827.22</b>	<b>18,296.54</b>
<b>Total Assets</b>		<b>35,372.28</b>	<b>39,955.97</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	17	3,896.32	3,796.32
(b) Other Equity	18	2,247.55	532.37
<b>Total Equity</b>		<b>6,143.87</b>	<b>4,328.69</b>
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	3,146.48	2,778.39
(ii) Lease liabilities	20	136.04	124.59
(b) Provisions	21	86.78	78.19
(c) Deferred tax liabilities (net)			
<b>Total non-current liabilities</b>		<b>3,369.30</b>	<b>2,981.17</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	13,564.72	20,447.23
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	23	754.11	164.90
(b) total outstanding dues of Creditors other than micro and small enterprises	23	6,560.13	5,949.22
(iii) Other financial liabilities	24	1,814.20	2,463.10
(iv) Lease liabilities	24	47.11	24.17
(b) Other current liabilities	25	2,584.61	3,122.49
(c) Provisions	26	534.23	475.00
<b>Total current liabilities</b>		<b>25,859.11</b>	<b>32,646.11</b>
<b>Total Liabilities</b>		<b>29,228.41</b>	<b>35,627.28</b>
<b>Total Equity &amp; Liabilities</b>		<b>35,372.28</b>	<b>39,955.97</b>
Significant Accounting Policies	1-3		
See accompanying notes to financial statements	4-53		

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259



# Statement of Profit and Loss

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Revenue from operations	27	64,658.84	56,637.89
2 Other income	28	312.31	230.05
<b>3 Total income (1+2)</b>		<b>64,971.15</b>	<b>56,867.94</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	29.a	48,271.35	40,261.24
(b) (Increase)/ Decrease in inventories of finished goods and work-in-progress	29.b	398.61	(366.02)
(c) Employee benefits expenses	30	3,558.84	3,079.61
(d) Finance costs	31	2,139.14	2,532.01
(e) Depreciation and amortisation expenses	32	1,739.71	2,011.04
(f) Other expenses	33	8,730.69	9,163.48
<b>Total expenses</b>		<b>64,838.34</b>	<b>56,681.36</b>
<b>5 Profit / (Loss) before exceptional items and tax (3 - 4)</b>		<b>132.81</b>	<b>186.59</b>
<b>EBITDA</b>		<b>3,699.35</b>	<b>4,499.59</b>
<b>Cash Profit/(Loss)</b>		<b>1,560.21</b>	<b>1,967.57</b>
6 Exceptional items	34	1,355.34	563.08
<b>7 Profit / (Loss) before tax (5 + 6)</b>		<b>1,488.15</b>	<b>749.67</b>
<b>8 Income Tax expense:</b>		-	-
<b>9 Profit / (Loss) for the year (7 - 8)</b>		<b>1,488.15</b>	<b>749.67</b>
<b>10 Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment benefit obligations-(loss)/ gains		(10.47)	44.40
Income Tax relating to this item		-	-
<b>Other Comprehensive Income for the year, net of tax</b>		<b>(10.47)</b>	<b>44.40</b>
<b>11 Total Comprehensive Income / (Loss) for the period (9+10)</b>		<b>1,477.68</b>	<b>794.07</b>
<b>12 Earnings/(Loss) per share (Face value of ` 10/- each):</b>	42		
(a) Basic		3.84	2.04
(b) Diluted		3.82	1.99
Significant Accounting Policies	1-3		
See accompanying notes to financial statements	4-53		

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259

# Statement of Cash Flow

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash Flow from Operating Activities</b>		
Profit / (Loss) before tax	1,488.15	749.67
Adjustment for :		
Depreciation	1,739.71	2,011.04
Interest Paid & Finance Cost	1,873.69	2,192.19
Loss/(Profit) on Sale of Property, Plant & Equipment	(1,282.37)	(8.01)
Profit on Sale of Investment	-	(463.08)
Investment written off	0.65	0.00
Liabilities written back	-	(10.23)
Dividend Income	(0.35)	0.00
Interest Income on Deposits	(50.90)	(77.53)
Interest Income on Advance to Subsidiaries	(108.44)	(83.54)
Forfeiture of advance	-	(100.00)
<b>Operating Profit before Working Capital Changes</b>	<b>3,660.14</b>	<b>4,210.50</b>
<b>Adjustment for changes in operating assets</b>		
(Increase) / Decrease in Inventories	34.61	(889.36)
(Increase) / Decrease in Trade Receivable	3,451.55	(6,666.84)
(Increase) / Decrease in Loans and Advances Current	2.54	1.98
(Increase) / Decrease in Other Financial Assets Current	33.85	(19.00)
(Increase) / Decrease in Other Current Assets	52.40	(563.89)
(Increase) / Decrease in Other Non Current Assets	(0.99)	0.00
(Increase) / Decrease in Other Financial Assets Non-Current	(0.40)	0.98
<b>Adjustment for changes in operating liabilities</b>		
Increase / (Decrease) in Trade Payables	1,200.12	(720.81)
Increase / (Decrease) in Other Financial Liabilities Current	(652.75)	(437.72)
Increase / (Decrease) in Other Current Liabilities	(337.88)	(102.72)
Increase / (Decrease) in Provision Current	48.75	71.65
Increase / (Decrease) in Provision Non-Current	8.59	3.15
<b>Cash Generated/(Used) from Operations</b>	<b>7,500.53</b>	<b>(5,112.07)</b>
Income tax refund received (net of payments )	105.53	(64.98)
<b>Net Cash Generated/(Used) from Operating Activities</b>	<b>7,606.06</b>	<b>(5,177.05)</b>
<b>B. Cash Flow from Investing Activities</b>		
Acquisition of Property, plant and equipment (including capital work in progress, capital advance)	(1,166.19)	(746.35)
Proceeds from Sale of Property, plant and equipment	1,964.98	1,005.39
Acquisition of Other intangible assets (net)	(11.03)	(241.56)
Repayment of Advance against Property, plant and equipment	-	(650.00)
Receipt of Advance against sales of Property, plant and equipment	-	200.00
Fixed Deposit with Banks	15.59	151.55
Purchase of Investments	(1.00)	(150.65)

# Statement of Cash Flow (contd.)

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Proceeds from Sale of Investments	-	700.80
Dividend Income	0.35	-
Interest Income on deposits	50.90	77.53
Interest Income on advance to subsidiaries	108.44	83.54
<b>Net Cash Generated/(Used) from Investing Activities</b>	<b>962.04</b>	<b>430.24</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Short Term Borrowings (Net of repayment)	(5,704.98)	9,779.43
Repayment of Long Term Borrowings (Net of proceeds)	(809.45)	(5,693.61)
Advances taken / recovered from subsidiaries	273.20	818.40
Advances given / repayment to subsidiaries	(1,029.34)	(867.34)
Interest Paid & Finance Cost	(1,869.84)	(2,169.95)
Payment of principal portion of lease liabilities	(29.87)	(34.66)
Received as government subsidy	263.04	-
Proceeds from Issue of Equity Shares	100.00	700.00
Premium on Issue of Equity shares	237.50	2,100.00
Proceeds from Issue of share warrants	-	112.50
<b>Net Cash Generated/(Used) from Financing Activities</b>	<b>(8,569.74)</b>	<b>4,744.77</b>
Net Increase / (Decrease) in Cash & Cash Equivalent	(1.64)	(2.03)
Cash and cash equivalents at the beginning of the year	4.23	6.27
Cash and cash equivalents at the end of the year ( Refer Note 12 )	2.59	4.23
Net Increase / (Decrease) in Cash & Cash Equivalent	(1.64)	(2.03)

## Note

The above Cash flow Statement has been prepared under the "Indirect method" set out in Indian Accounting Standard- 7 on statement of Cash flows

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259

# Statement of Changes in Equity

for the year ended March 31, 2023

## A. Equity share capital

Particulars	₹ in Lakhs
	Amount
Balance as at April 01, 2021	3,096.32
Changes in equity share capital during the year	700.00
<b>Balance as at March 31, 2022</b>	<b>3,796.32</b>
Balance as at April 01, 2022	3,796.32
Changes in equity share capital during the year	100.00
<b>Balance as at March 31, 2023</b>	<b>3,896.32</b>

## B. Other Equity

Particulars	Reserves and Surplus							Money received against share warrants	Total
	Securities Premium Reserve	Revaluation Reserve	Employee Stock Options outstanding	General Reserve	Retained Earnings	Other Comprehensive Income	Equity component of compound financial instruments		
<b>Balance as at April 01, 2021</b>	23,337.25	90.59	-	1,202.28	(27,150.94)	(15.13)	61.75	-	(2,474.20)
Profit/(loss) for the year					749.67				749.67
Other comprehensive income for the year						44.40			44.40
Equity share premium received	2,100.00								2,100.00
Warrants issued during the year								112.50	112.50
<b>Balance as at March 31, 2022</b>	25,437.25	90.59	-	1,202.28	(26,401.28)	29.27	61.75	112.50	532.37
<b>Balance as at April 01, 2022</b>	25,437.25	90.59	-	1,202.28	(26,401.28)	29.27	61.75	112.50	532.37
Profit/(loss) for the year					1,488.15				1,488.15
Other comprehensive income for the year						(10.47)			(10.47)
Equity share premium received	350.00								350.00
Warrants converted in equity shares during the year								(112.50)	(112.50)
<b>Balance as at March 31, 2023</b>	25,787.25	90.59	-	1,202.28	(24,913.12)	18.80	61.75	-	2,247.55

Summary of significant accounting policies Note 1 - 3

See accompanying notes to financial statements Note 4 - 53

The notes referred to above form integral part of financial statement  
In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## 1 Company Overview

### General Information:

Autoline Industries Limited ('The Company') is engaged in the business of manufacturing sheet metal stampings, welded assemblies and moulds for the automotive industry. The Company has nine plants in India and sells primarily in India. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company's Registered office is at –Survey Nos. 313, 314, 320 to 323 Nanekarwadi, Chakan, Tal: Khed Dist. Pune - 410501, Maharashtra, India. The CIN of the Company is L34300PN1996PLC104510.

The Board of Directors are authorized to issue this financial statement in its Board Meeting dated 18th May 2023.

## 2 Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated

### 2.1 Basis of preparation of financial statements

#### (i) Compliance with IND AS

The Standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and Companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued thereafter.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2023, the Statement of Profit and Loss for the year ended 31 March 2023, the Statement of Cash Flows for the year ended 31 March 2023 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together

hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

#### (ii) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the following items:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- net defined benefit (asset)/ liability – present value defined benefit obligations less fair value of plan assets.

#### (iii) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is also the Company's functional currency. All amounts have been rounded off to the nearest Lakh except share data, unless otherwise indicated.

### 2.2 Revenue recognition:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

### The company generates revenue principally from –

#### Sale of goods:

The Company recognizes revenue when 'control' of the promised goods underlying the particular performance obligation is transferred to the customer in an amount that reflects the consideration it expects to receive



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

in exchange for those goods. Control of products passes to the customers, at a point in time which is usually upon delivery of goods to the customer / carrier. Revenue is recognized at that point in time. Revenue excludes taxes collected from customers on behalf of the government.

For contracts that permit the customer to return an item, under Ind AS 115 revenue is recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for expected returns, which are estimated based on the historical data. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered. In such circumstances, a refund liability, and a right to recover returned goods asset are recognized. The amount disclosed as revenue is net of Goods and Services Tax collected on behalf of third parties.

#### Sale of tools:

Tooling contracts are the fixed price contracts to build a specific tool (asset). Under these contracts a performance obligation is satisfied when control of such assets underlying the particular performance obligation is transferred to the customer. Hence, revenue from tooling contracts is recognized when such tools are transferred to the customers since the customer receives and consumes the benefits at the end of the contract.

Generally, the Company receives short-term tooling advances from its customers which are utilized for providing advance to supplier of the tool. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of any significant financing component.

#### Sale of Services:

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognized net of goods and service tax as applicable.

#### Other Income

##### Interest:

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.

**Dividend income:** Dividend income is recognized when the Company's right to receive is established by the reporting date.

##### Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

## 2.3 Current and Non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled in twelve months after the reporting period, or
- The company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Terms of the liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affects its classification.

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its normal operating cycle.

## 2.4 Foreign currency transactions and translation:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the respective dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevalent, at the date of initial recognition (in case measured at historical cost) or at the date when the fair value is determined (in case measured at fair value).

Foreign exchange gains and losses resulting from the settlement of such transaction and from translation of monetary assets and liabilities denominated foreign currencies at year end exchange rates are generally recognized in profit and loss. Foreign exchange difference regarded as an adjustment to borrowing cost are presented in the statement of profit and loss, within finance costs.

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

## 2.5 Fair Value Measurement

The Company measures financial instruments at fair value on initial recognition. Fair value is the price that would be received to sell an asset or paid to transfer

a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

## Determination of Fair value:

### 1. Financial Assets- At Amortized cost

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.

### 2. Financial Assets- At fair value through Profit and Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

### 3. Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest method (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss.

## 2.6 Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation less impairment loss, if any. Historical cost comprises of purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Asset Useful Life

Building – Factory	30 Years
Building - Office	60 Years
Plant and Machinery	15 Years(Single Shift basis)
Tools & Dies	15 Years (Single Shift basis)
Electrical Fittings	10 Years
Vehicles	8 Years
Computers	3 Years
Software	6 Years
Office Equipments	5 Years
Furniture & Fittings	10 Years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized as income or expense in the statement of profit and loss.

## 2.7 Intangible asset:

### Intangible assets acquired separately:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets are amortized on a straight line basis over their estimated useful lives ranging from 3-5 years. The amortization period and amortization method are reviewed as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

### Internally generated intangible asset

Research costs are charged to the statement of Profit and Loss in the year in which they are incurred.

Product development costs incurred on electric two-wheeler are recognized as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Product development costs is amortized over the life of the related product, being a period of 24 months to 120 months. Product development expenditure is measured at cost less accumulated amortization and impairment, if any.

Amortization is not recorded on product in progress until development is complete.

### De-recognition of intangible assets

An item of intangible assets is derecognized on disposal or when fully amortized and no longer in use. Any gain or loss arising from de-recognition of an item of intangible assets is included in profit or loss.

## 2.8 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.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

## 2.9 Borrowings:

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income / expenses.

## 2.10 Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take

a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

## 2.11 Leases

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

- (i) the contract involves the use of identified asset;
- (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and
- (iii) the Company has right to direct the use of the asset

### As a lessee

The Company recognizes 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 direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the financial statements. (Refer Note 4)

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 interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments less any lease incentives receivable;
- Variable lease payments that depend on a rate, initially measured using the rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and

- The exercise price of a purchase option if the Company is reasonably certain to exercise that option and.

- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

The lease liability is measured at amortized cost using the effective interest method. If the rate cannot be determined readily, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- Where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- Makes adjustments specific to the lease e.g. term, country, currency and security

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

## As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor under operating lease as a result of the adoption of Ind AS 116.

## Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

that have a lease term of 12 months. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## 2.12 Inventories:

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprises cost of purchases, inward freight and other incidental expenses net of GST, wherever applicable. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on FIFO basis. Goods in transit is valued at cost incurred till date. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Tools and Dies under process have been valued on percentage completion based on estimated cost of production and development of respective tools and dies.

Scrap is valued at net realizable value.

## 2.13 Employee benefits:

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services

rendered by the employees is recognized during the year when the employees render the service.

### (ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Post-employment obligations

The company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans

### (a) Defined benefit plans such as gratuity

#### Gratuity obligations:

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated quarterly by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is

# Notes forming part of Standalone Financial Statements

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calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**(b) Defined contribution plans such as provident fund.**

**Provident fund:**

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

**Employee State Insurance**

Contribution towards Employee State insurance for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

**(iv) Other Long-term Employee Benefits:**

**Compensated Absences:**

The company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Such benefits are provided based on the number of days of unutilized compensated absence on the basis of an independent actuarial valuation.

**2.14 Financial instruments:**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities 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 profit or loss

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) (FVTOCI /FVTPL), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition.

**(ii) Measurement**

At initial recognition, the Company measures a financial asset (unless it is a trade receivable without a significant financing component) or financial liability at its fair value plus or minus, in the case of a

# Notes forming part of Standalone Financial Statements

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financial asset and financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequent measurement of debt instruments depends on the Company's business models for managing the assets and the cash flow characteristics of the assets. There are three measurement categories into which the Company classifies its debt instruments:

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or

loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

**Equity instruments:**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities (that are not held for trading or not designated at fair value through profit or loss) 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 in the effective interest method.

Effective interest method is a method of calculating 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, 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.

Financial liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

# Notes forming part of Standalone Financial Statements

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The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

### (iii) Impairment of financial assets:

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost and debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized.

### (iv) Derecognition

#### Derecognition of Financial Assets

A financial asset is derecognised only when

*\* The Company has transferred the rights to receive cash flows from the financial asset or*

*\* Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.*

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in Profit or Loss and changes in fair value (other than on account of above income or expense) are recognised in Other Comprehensive Income and accumulated in Other equity. On disposal of debt instruments at FVTOCI, the cumulative gain or loss previously accumulated in Other equity is reclassified to Profit and Loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to Profit and Loss on disposal of investments.

#### Derecognition of Financial Liability

Financial liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss.

### 2.15 Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

### 2.16 Impairment of non-financial assets:

In accordance with Ind AS 36 on "Impairment of Assets" at the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying



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amount may not be recoverable. For the purpose of assessing impairment, 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. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

## 2.17 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.

## 2.18 Trade receivables:

1. Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.
2. Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.
3. The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## 2.19 Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

## 2.20 Earnings per share:

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share

### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss for the period attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year.

### (ii) Diluted earnings per share

Diluted earnings 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 except where the results are anti-dilutive.

## 2.21 Income tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject

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to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

## 2.22 Provisions:

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions for restructuring are recognized by the company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement

is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the company.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 2.23 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

## 2.24 Government Grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the

# Notes forming part of Standalone Financial Statements

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periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### 2.25 Derivatives:

The company enters into certain derivative contracts to hedge risks which are not designated as Hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income / expenses.

### 2.26 Cash flow Statement:

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Board's Report.

### Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as

an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

### Recent pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

## 3 Significant accounting judgments, estimates and assumptions:

- 3.1 The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures.

These judgments, estimates and assumptions are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below. These Judgments, estimates and

# Notes forming part of Standalone Financial Statements

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assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

## 3.2 Significant Judgments:

### Contingent liabilities:

The Company has received various orders and notices from tax and other judicial authorities in respect of direct taxes and indirect taxes. 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.

## 3.3 Classification of Leasehold Land:

The company has entered into lease agreement for land at three of its facilities. The lease period is of around 85-95 years in respect of these premises and the agreements have renewal options. These lands are situated in industrial estates, where the land is generally transferred through lease contracts and the upfront lease payment amounts are significantly equal to the fair value of land. Accordingly, significant risk and rewards associated with the land are considered to be transferred to the lessee.

Based on these considerations and overall evaluation of the agreements with the lessor, the management believes that these lease contracts meet the conditions of finance lease.

## 3.4 Determination of cash generating unit (CGU) for Impairment analysis

As part of its impairment assessment for non-financial assets (i.e. property, plant and equipment), the management needs to identify Cash Generating Units i.e. lowest group of assets that generate cash flows which are independent of those from other assets. Considering the nature of its assets, operations and

administrative structure, the management has defined all assets put together as a single Cash Generating Unit.

## 3.5 Going Concern assumptions:

The Company has earned profit (before exceptional item) of ₹ 132.81 lakhs (P.Y. 186.59 Lakhs) for the financial year ended 31 March 2023 and the Company's current liabilities exceeds its current assets by ₹ 11,031.90 lakhs (P.Y. ₹ 14,349.57 Lakhs) as at 31 March 2023.

The Company's management has carried out an assessment of the Company's financial performance and expects the Company to achieve significant improvements in its financial performance with effect from financial year ending 31 March 2023 to enable it to continue its operations and to meet its liabilities as and when they fall due.

Various initiatives undertaken by the Company in relation to cost synergies, revenue management opportunities, enhanced ancillary revenues, sale of property, plant and Equipments and leasehold lands, sale of land available with subsidiary company, rescheduling of loans will result in improvement in operating cash inflow in coming years. Further, continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows

On the basis of the above assessment and considering the financial and other support from promoter directors, the Directors of the Company are of the opinion that the preparation of the financial statements of the Company on a going concern basis is appropriate which contemplates realization of assets and settlement of liabilities in the normal course of business.

## 3.6 Segment Reporting:

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.

The Company operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Company

# Notes forming part of Standalone Financial Statements

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derives its revenues. The management considers that these business units have similar economic characteristics like the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.

Based on the management analysis, the Company has only one operating segment, so no separate segment report is given. The principal geographical areas in which the Company operates is India.

Significant estimates and assumptions:

### 3.7 Impairment of Property, plant and equipment: Key assumptions used:

The management has assessed current and forecasted financial performance of the Company and the current market value of the assets to determine whether carrying value of property, plant and equipment has suffered any impairment. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time. Such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary and the variations may be material.

### 3.8 Claims payables & receivable to customers:

Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis. Also the Company has made accruals in respect of unsettled prices for some of its other material purchase contracts and bought out components. These accruals are made considering the past settlement arrangements with the vendors and customers respectively and the applicable metal prices from published sources. Actual results of these considerations may vary and the variations may be material.

Further, the management has assessed and believes that the timing of cash outflow pertaining to this accruals are uncertain and hence considered the same as payable on demand and classified under current liabilities.

### 3.9 Defined benefit plan:

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given Note 45.

### 3.10 Fair value measurement of unquoted financial instruments:

When fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair values is measured using valuation techniques including DCF method. The inputs to these models are taken from observable markets where possible, but where not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported value of financial instruments.

### 3.11 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



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well as forward looking estimates at the end of each reporting period.

### 3.12 Determination of lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The leases do not contain options which give a rise to a sole right to extend the lease.

### 3.13 Useful lives of property, plant and equipment, Investment property and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are

based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

### 3.14 Estimation of uncertainties relating to the global health pandemic from COVID-19:

Due to spread of COVID-19 pandemic the Company is monitoring the situation closely. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realizable values of other assets. However, given the effect of these on the overall economic activity and in particular on the automotive industry, the impact assessment of COVID-19 on the above mentioned Financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

# Notes forming part of Standalone Financial Statements

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## Note 4 : Property, plant and equipment and others

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
<b>Property, plant and equipment</b>		
Freehold Land	281.43	281.43
Factory Building	4,380.81	4,535.61
Office Building	12.72	12.98
Plant and Machinery	3,224.95	3,432.60
Tools and Dies	1,574.53	1,943.44
Computer & IT Assets	21.98	15.39
Electrical Fittings	90.22	63.12
Furniture and fixture	10.61	11.21
Vehicle	4.77	8.14
Office Equipment	1.24	2.87
<b>Total</b>	<b>9,603.26</b>	<b>10,306.78</b>
<b>Capital work-in-progress</b>	<b>387.53</b>	<b>125.97</b>
<b>Total</b>	<b>387.53</b>	<b>125.97</b>
<b>Other Intangible Assets</b>		
Computer Software	51.94	4.02
<b>Total</b>	<b>51.94</b>	<b>4.02</b>
<b>Intangible assets under development</b>	<b>-</b>	<b>269.29</b>
<b>Total</b>	<b>-</b>	<b>269.29</b>
<b>Right of Use Assets</b>		
Leasehold Land	162.35	162.35
Right of Use Assets	169.09	143.81
<b>Total</b>	<b>331.44</b>	<b>306.16</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 4.1 Property, Plant and Equipment (PPE) as at March 31, 2023

₹ in Lakhs

	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
<b>Gross Carrying amount</b>											
Cost as at April 01, 2022	281.43	8,090.97	15.49	17,093.52	7,914.13	219.49	1,169.48	212.72	177.04	127.92	35,302.18
Additions	-	118.55	-	781.09	49.63	17.24	43.01	1.60	-	0.30	1,011.43
Disposal	-	-	-	232.34	-	-	-	54.15	-	-	286.49
Transfer to asset held for sale	-	-	-	-	-	-	-	-	-	-	-
Cost as at March 31, 2023	281.43	8,209.52	15.49	17,642.27	7,963.76	236.73	1,212.49	160.17	177.04	128.22	36,027.12
<b>Accumulated Depreciation</b>											
As at April 01, 2022	-	3,555.36	2.51	13,660.92	5,970.69	204.10	1,106.36	201.51	168.91	125.05	24,995.40
Depreciation for the year	-	273.35	0.26	962.77	418.54	10.65	15.91	2.21	3.36	1.93	1,688.98
Disposal	-	-	-	206.37	-	-	-	54.15	-	-	260.52
Transfer to asset held for sale	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	3,828.71	2.77	14,417.32	6,389.23	214.75	1,122.27	149.57	172.27	126.98	26,423.86
<b>Net Carrying amount</b>											
<b>As at March 31, 2023</b>	<b>281.43</b>	<b>4,380.81</b>	<b>12.72</b>	<b>3,224.95</b>	<b>1,574.53</b>	<b>21.98</b>	<b>90.23</b>	<b>10.61</b>	<b>4.77</b>	<b>1.24</b>	<b>9,603.26</b>

## Note 4.1 Property, Plant and Equipment (PPE) as at March 31, 2022

₹ in Lakhs

	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
<b>Gross Carrying amount</b>											
Cost as at April 01, 2021	281.43	8,609.62	15.49	16,921.72	7,626.27	210.52	1,143.76	210.60	187.50	136.30	35,343.21
Additions	-	-	-	267.90	287.86	8.97	25.72	5.43	-	-	595.88
Disposal	-	-	-	96.11	-	-	-	3.30	10.46	8.39	118.25
Transfer to asset held for sale	-	518.65	-	-	-	-	-	-	-	-	518.65
Cost as at March 31, 2022	281.43	8,090.97	15.49	17,093.52	7,914.13	219.49	1,169.48	212.72	177.04	127.92	35,302.18
<b>Accumulated Depreciation</b>											
As at April 01, 2021	-	3,466.12	2.25	12,509.82	5,569.39	197.64	1,082.69	201.76	175.24	130.60	23,335.51
Depreciation for the year	-	287.00	0.26	1,239.84	401.30	6.46	23.67	3.05	4.13	2.83	1,968.54
Disposal	-	-	-	88.73	-	-	-	3.30	10.46	8.39	110.88
Transfer to asset held for sale	-	197.76	-	-	-	-	-	-	-	-	197.76
As at March 31, 2022	-	3,555.36	2.51	13,660.92	5,970.69	204.10	1,106.36	201.51	168.91	125.05	24,995.40
<b>Net Carrying amount</b>											
<b>As at March 31, 2022</b>	<b>281.43</b>	<b>4,535.61</b>	<b>12.98</b>	<b>3,432.60</b>	<b>1,943.44</b>	<b>15.39</b>	<b>63.12</b>	<b>11.21</b>	<b>8.14</b>	<b>2.87</b>	<b>10,306.78</b>

1. For Property, plant and equipment pledges as securities refer note 46
2. For contractual commitments towards acquisition of property plant and equipment's refer note 41
3. There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of PPE
4. There is no restriction on the title of Property, Plant and Equipment

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 4.2 : Capital work in progress

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning	125.97	27.06
Additions	692.24	98.91
Capitalised during the year	430.68	-
Impairment	-	-
Balance at the end	387.53	125.97

Capital work-in-progress comprising construction of factory shed and plant & machinery.

### Capital work in progress aging schedule as at March 31, 2023

	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (₹ in Lakhs)	380.11	7.42	-	-	387.53
Projects temporarily suspended (₹ in Lakhs)	-	-	-	-	-
<b>Total</b>	<b>380.11</b>	<b>7.42</b>	<b>-</b>	<b>-</b>	<b>387.53</b>

### Capital work in progress aging schedule as at March 31, 2022

	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (₹ in Lakhs)	98.91	27.06	-	-	125.97
Projects temporarily suspended (₹ in Lakhs)	-	-	-	-	-
<b>Total</b>	<b>98.91</b>	<b>27.06</b>	<b>-</b>	<b>-</b>	<b>125.97</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 4.3 Intangible Assets as at March 31, 2023

₹ in Lakhs

	Other Intangible assets				Total
	R & D Process Development	Computer Software	Other Intangible assets	Trade Mark	
<b>Gross Carrying amount</b>					
Cost as at April 01, 2022	1,941.34	649.08	399.00	0.21	2,989.63
Additions	-	59.67	-	-	59.67
Disposal/Transfer	-	-	-	-	-
Cost as at March 31, 2023	1,941.34	708.75	399.00	0.21	3,049.30
<b>Accumulated Depreciation</b>					
As at April 01, 2022	1,941.34	645.05	399.00	0.21	2,985.60
Depreciation for the year	-	11.76	-	-	11.76
Disposal/Transfer	-	-	-	-	-
As at March 31, 2023	1,941.34	656.81	399.00	0.21	2,997.36
<b>Net Carrying amount</b>					
<b>As at March 31, 2023</b>	-	<b>51.94</b>	-	-	<b>51.94</b>

## Note 4.3 Intangible Assets as at March 31, 2022

₹ in Lakhs

	Other Intangible assets				Total
	R & D Process Development	Computer Software	Other Intangible assets	Trade Mark	
<b>Gross Carrying amount</b>					
Cost as at April 01, 2021	1,941.34	647.90	399.00	0.21	2,988.45
Additions	-	1.70	-	-	1.70
Disposal/Transfer	-	0.52	-	-	0.52
Cost as at March 31, 2022	1,941.34	649.08	399.00	0.21	2,989.63
<b>Accumulated Depreciation</b>					
As at April 01, 2021	1,941.34	642.39	399.00	0.21	2,982.93
Depreciation for the year	-	3.19	-	-	3.19
Disposal/Transfer	-	0.52	-	-	0.52
As at March 31, 2022	1,941.34	645.05	399.00	0.21	2,985.60
<b>Net Carrying amount</b>					
<b>As at March 31, 2022</b>	-	<b>4.02</b>	-	-	<b>4.02</b>



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 4.4 : Intangible assets under development

₹ in Lakhs

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning	269.29	29.43
Additions	2.39	239.86
Capitalised	50.21	-
Transfer/Sales*	221.47	-
Balance at the end	-	<b>269.29</b>

\* Cost of E-scooter development activity is transferred to separate subsidiary company Autoline E-mobility Pvt Ltd for E-vehicle business segment.

Company has not identified any item where completion schedule of intangible assets under development or where cost or time overrun has exceeded original plan

₹ in Lakhs

Intangible assets under development aging schedule as at March 31, 2023	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress ( ₹ in Lakhs)	-	-	-	-	-
Projects temporarily suspended ( ₹ in Lakhs)	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

Intangible assets under development aging schedule as at March 31, 2022	Amount for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress ( ₹ in Lakhs)	239.86	29.43	-	-	269.29
Projects temporarily suspended ( ₹ in Lakhs)	-	-	-	-	-
<b>Total</b>	<b>239.86</b>	<b>29.43</b>	-	-	<b>269.29</b>

## Note 4.5 Right of Use Assets as at March 31, 2023

₹ in Lakhs

	Right of Use Assets		
	Leasehold Land	Right of Use Assets	Total
<b>Gross Carrying amount</b>			
Cost as at April 01, 2022	162.35	159.65	321.99
Additions	-	64.25	64.25
Disposal/Transfer	-	-	-
Cost as at March 31, 2023	162.35	223.90	386.24
<b>Accumulated Depreciation</b>			
As at April 01, 2022	-	15.83	15.83
Depreciation for the year	-	38.97	38.97
Disposal/Transfer	-	-	-
As at March 31, 2023	-	54.80	54.80
<b>Net Carrying amount</b>			
<b>As at March 31, 2023</b>	<b>162.35</b>	<b>169.09</b>	<b>331.44</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 4.5 Right of Use Assets as at March 31, 2022

₹ in Lakhs

	Right of Use Assets		Total
	Leasehold Land	Right of Use Assets	
<b>Gross Carrying amount</b>			
Cost as at April 01, 2021	477.44	136.04	613.48
Additions	-	159.65	159.65
Disposal/Transfer	-	136.04	136.04
Transfer to asset held for sale	315.09	-	315.09
Cost as at March 31, 2022	162.35	159.65	321.99
<b>Accumulated Depreciation</b>			
As at April 01, 2021	2.70	75.01	77.71
Depreciation for the year	-	39.31	39.31
Disposal/Transfer	-	98.49	98.49
Transfer to asset held for sale	2.70	-	2.70
As at March 31, 2022	-	15.83	15.83
<b>Net Carrying amount</b>			
<b>As at March 31, 2022</b>	<b>162.35</b>	<b>143.81</b>	<b>306.16</b>

### Right of Use Assets as at March 31, 2023

- There are no future minimum lease payments in respect of these leasehold land. The lease terms generally expires within period of 85-95 years and as per the lease agreement, the lease term for the leasehold facility can be renewed for a further period of years subject to other terms and conditions and for other leasehold facility the renewal will be mutually.
- Impairment of Assets: There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of intangible assets
- There is no restriction on the title of intangible assets
- For Intangible Assets pledges as securities refer note 46
- Details of all the immovable properties whose title deeds are not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value ₹ in lakh	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company** (Whether any dispute )
Right of Use Assets	Khasra no. 423, SIDCUL, Plot no. 5, Pantnagar, Uttarakhand"	22.86	Nirmiti Auto Components Pvt Ltd	No	27/03/2011	There is no dispute, however Lease Deed is held in the name of Nirmiti Auto Components Pvt. Ltd. which was amalgamated with the company & name change process with concerned authority is pending

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 5 Investment in subsidiaries

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investment in subsidiaries (At Cost)</b>		
<b>Autoline Design Software Limited.</b>	509.18	509.18
3,553,736 equity shares of face value ₹10 as at March 31, 2023		
3,553,736 equity shares of face value ₹10 as at March 31, 2022		
<b>Autoline Industrial Parks Limited.* (refer note a)</b>	7,072.42	7,072.42
34,256,092 equity shares of face value ₹10 as at March 31, 2023		
34,256,092 equity shares of face value ₹10 as at March 31, 2022		
<b>Koderat Investments Limited. (Cyprus)* (refer note c)</b>	-	-
Amount of Investment ₹32,89,91,148/-		
Provision for dimunition ₹32,89,91,148/-		
1,000 equity shares of face value Euro 1 as at March 31, 2023		
1,000 equity shares of face value Euro 1 as at March 31, 2022		
<b>Autoline E-Mobility Private Limited. (refer note d)</b>	1.00	-
9,994 equity shares of face value ₹10 as at March 31, 2023		
Autoline Locomotive Parts LLP (refer note e)	-	0.65
Capital account balance ₹NIL as on March 31, 2023		
Capital account balance ₹65,000 as on March 31, 2022		
<b>Total</b>	<b>7,582.60</b>	<b>7,582.25</b>
<b>Extent of Holding</b>		
Autoline Design Software Limited	100%	100%
Autoline Industrial Parks Limited	43.26%	43.26%
Koderat Investments Limited. (Cyprus)	100%	100%
Autoline E-Mobility Private Limited.	100%	-
Autoline Locomotive Parts LLP	-	65%
<b>Place of business / Country of incorporation</b>		
Autoline Design Software Limited	India	India
Autoline Industrial Parks Limited	India	India
Koderat Investments Limited. (Cyprus)	Cyprus	Cyprus
Autoline E-Mobility Private Limited.	India	-
Autoline Locomotive Parts LLP	-	India
<b>Investment in Subsidiaries</b>	<b>10,872.51</b>	<b>10,872.16</b>
Aggregate amount of quoted investment	-	-
Aggregate amount of Unquoted investment	10,872.51	10,872.16
Aggregate amount of impairment in the Value of investment	3,289.91	3,289.91

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 5a. Investment others (non-current)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investment in equity Shares:</b>		
<b>Investment at Fair Value through Profit &amp; Loss</b>		
<b>Unquoted Equity Shares</b>		
Rupee Co-operative Bank Ltd.	5.00	5.00
20,000 equity shares of face value ₹10		
Less : Provision for Diminution in Value of Investments	(5.00)	(5.00)
NKGSB Co-operative Bank Ltd.	5.00	5.00
50,000 equity shares of face value ₹10		
Vidya Sahakari Bank Ltd.	5.00	5.00
5,000 equity shares of face value ₹100		
<b>Total</b>	<b>10.00</b>	<b>10.00</b>
Aggregate amount of quoted investment		
Aggregate amount of Unquoted investment	15.00	15.00
Aggregate amount of impairment in the Value of investment	5.00	5.00

### a) Autoline Industrial Parks Limited.

- The Company has adopted fair value at ₹62.25 crore according to valuation report obtained from independent chartered accountant as deemed cost at transition date i.e. April 01, 2016 as per Ind AS 109.
- The management of the company identified a potential buyer MNSC Realty & Developers Pvt. Ltd for its stake sale and the Company have entered into a Memorandum of Understanding (MoU) with MNSC Realty & Developers Pvt. Ltd on April 28, 2023 along with its wholly owned subsidiary Autoline Design Software Ltd. which together hold 44.78% Equity Shares of Autoline Industrial Parks Limited a Material Subsidiary of the Company. The definitive agreement will be finalized between the parties in short time as mutually agreed. As on the date of approval of Financial Statements, substantial amount is not received from MNSC Realty & Developers Pvt. Ltd. Hence Asset held for sale is not disclosed.

b) Investments at fair value through Profit & Loss reflect investment in unquoted equity shares. Refer note 35 for determination of their fair values.

c) **Koderat Investments Limited** : The Company has invested in wholly owned subsidiary, Koderat Investments Ltd. (Cyprus). In turn the subsidiary utilized the same for investment in S.Z. Design SRL and Zagato SRL Milan Italy. S.Z. Design SRL and Zagato SRL Milan Italy have issued 49% of equity shares to Koderat Investments Ltd(Cyprus). Further to Note-10 on page-77 in Notes to Accounts of the Annual Report 2010, Concordato Preventivo procedure under Italian Laws, originally scheduled on 20th September, 2011 was postponed to 20th October, 2011 and was finally held on 23rd February, 2013, however the tribunal / Italian courts had reserved the decision. Till date the Concordato Preventivo has not given any decision. The company has adopted fair value at ₹NIL as deemed cost at transition date i.e. April 01, 2016 as per Ind AS 109."

d) **Autoline E-Mobility Private Limited** : During the year company has incorporated private limited company namely "Autoline E-Mobility Private Limited." with 100% of share.

## Notes forming part of Standalone Financial Statements as at March 31, 2023

- e) **Autoline Locomotive Parts LLP** : (i) During the previous year company has incorporated LLP namely “Autoline Locomotive Parts LLP” with 65% of share and same is closed. (ii) The Board at its meeting held on November 13, 2022 approved the voluntary Striking off of Autoline Locomotive Parts LLP; a joint venture which was incorporated on August 10, 2021. The Company filed an application for voluntary strike-off on March 29, 2023.

### Note 6 Other financial assets non-current

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Security deposits	125.28	124.87
<b>Total</b>	<b>125.28</b>	<b>124.87</b>

### Note 7 Income tax assets (net)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provisions) - Unsecured, considered good	387.00	322.02
Less: Current Tax Payable for the year	-	-
Less: Refunds Received	389.83	208.92
Add: Taxes paid during the year	284.30	273.89
<b>Total</b>	<b>281.47</b>	<b>387.00</b>

### Note 8 Deferred tax assets (MAT Credit)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Deferred tax assets (MAT Credit)	1,338.87	1,338.87
<b>Total</b>	<b>1,338.87</b>	<b>1,338.87</b>

The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet.

Financial Year	Amount (₹ in Lakhs)	Amount (₹ in Lakhs)
2009-10	63.74	63.74
2010-11	47.20	47.20
2011-12	477.19	477.19
2012-13	750.74	750.74



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 9 Other non-current assets

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balances with Government Authorities	51.49	50.49
Industrial Promotion Subsidy Receivable (Refer Sub note 9.1)	735.35	998.39
Capital Advance (Unsecured & Considered good)	45.83	155.34
<b>Total</b>	<b>832.67</b>	<b>1,204.22</b>

### Note 9.1

Industrial Promotion Subsidy is receivable from Government of Maharashtra under Package Scheme of Incentives for the years from FY 2009-10 to FY 2016-17. These are receivable after completion of assessment under Maharashtra Value Added Tax Act, 2002.

## Note 10 Inventories

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Raw materials ( includes lying with third parties)	2,806.90	2,433.30
Work-in-progress ( includes tools & dies)	1,604.96	1,735.65
Finished goods ( includes goods in transit as at March 31, 2023 ₹85.52 Lakhs and as at March 31, 2022 ₹85.22 Lakhs )	392.55	660.47
Stores and spares and packing	23.67	39.45
Scrap material	86.31	80.15
<b>Total</b>	<b>4,914.40</b>	<b>4,949.01</b>

Note: Inventories have been offered as securities against the working capital facilities provided by the banks. Refer note 46.

## Note 11 Trade Receivables Current

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unsecured		
Considered good	7,371.03	10,822.57
Doubtful	-	-
sub-total	7,371.03	10,822.57
Less: Allowances for Doubtful Debt (Expected Credit Loss)	-	-
<b>Total</b>	<b>7,371.03</b>	<b>10,822.57</b>
Includes of the above trade receivables of related parties	Nil	Nil

The balance due from some of trade receivables are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

The Company's exposure to credit and loss allowances related to trade receivables are disclosed in note 36

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring / discounting arrangement. Under these arrangements, the Company has transferred the relevant receivables to the financial institutions in exchange for cash (net of deductions) and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under these agreement is presented as secured borrowing.

The relevant carrying amounts are as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Total Transferred receivables	4,147.18	8,127.45
Associated Secured Borrowing (Refer Note 22)	4,147.18	8,127.45

## Trade Receivables Ageing Schedule

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>(i) Undisputed Trade receivables – considered good</b>		
Not due	6,370.45	10,190.08
Less than 6 months	725.28	500.26
6 months - 1 year	113.48	56.81
1-2 years	115.71	52.13
2-3 years	42.58	6.74
More than 3 years	3.53	16.56
<b>Total</b>	<b>7,371.03</b>	<b>10,822.57</b>
<b>(ii) Undisputed Trade Receivables – considered doubtful</b>		
Not due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>(iii) Undisputed Trade Receivables – credit impaired</b>		
<b>(iv) Disputed Trade Receivables – considered good</b>		
Not due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(v) Disputed Trade Receivables – considered doubtful</b>		
Not due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	-	-
<b>(vi) Disputed Trade Receivables – credit impaired</b>	-	-
<b>Total Trade Receivable</b>	<b>7,371.03</b>	<b>10,822.57</b>

## Note 12 Cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	2.43	3.82
Cash on Hand	0.16	0.41
<b>Total</b>	<b>2.59</b>	<b>4.23</b>

## Note 13 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
Margin Money Deposits ( restricted ) - Deposits with original maturity of more than 3 months but less than 12 months*	441.49	457.09
<b>Total</b>	<b>441.49</b>	<b>457.09</b>

\* These are pledged with banks and government departments ( Refer Note No. 46 )

## Note 14 Loans and advances (Current)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured &amp; considered good</b>		
Advances to employees	6.06	8.60
Loans to subsidiaries (Refer Note No. 39)	1,275.84	519.70
<b>Total</b>	<b>1,281.90</b>	<b>528.30</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 15 Other financial assets (current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unsecured & considered good		
Security deposits & others	31.33	65.17
<b>Total</b>	<b>31.33</b>	<b>65.17</b>

## Note 16 Other Current Assets

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balances with government authorities (Input tax credit of GST )	147.37	75.38
Advances for expenses (Unsecured & considered good)	4.47	1.31
Prepayments	60.06	40.64
Advances to suppliers* (Unsecured & considered good)	565.91	719.55
Note : Advance to suppliers are net of provision for bad debts of ₹3.67 Lakhs (Previous Year ₹ Nil)		
Electricity duty refund receivable	6.67	-
<b>Total</b>	<b>784.48</b>	<b>836.88</b>
<i>* The balances of advance given to some of suppliers are subject to reconciliation. Necessary adjustments, if any, will be made when the accounts are settled.</i>		
Includes of the above advances to suppliers of related parties	121.84	30.09

## Note 16a : Assets Held for Sale

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Assets Held for Sale		
Leasehold Land	-	312.40
Factory Building	-	320.89
<b>Total</b>	<b>-</b>	<b>633.29</b>

- (i) During the financial year 2022-23 The Company has sold the land and factory building situated at Plot No.E12-17 (7) & (8), MIDC, Bhosari, Pune-411026, which were shown as "Assets classified as held for sale" in the previous year
- (ii) During the financial year 2021-2022 The Company has entered into Memorandum of Understanding with the prospective buyer for transfer of land and factory building situated at Plot No.E12-17 (7) & (8), MIDC, Bhosari, Pune-411026 and accordingly these assets were presented as "Assets classified as held for sale" as at March 31, 2022.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 17 Share Capital

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Authorised</b>		
42,000,000 Equity shares of ₹10 each with voting rights (Previous Year 42,000,000 Equity shares )	4,200.00	4,200.00
<b>Issued, Subscribed and fully paid up</b>		
(as at March 31, 2023: 38,963,164 Equity shares of ₹10 each) (as at March 31, 2022: 37,963,164 Equity shares of ₹10 each)	3,896.32	3,796.32
<b>Total</b>	<b>3,896.32</b>	<b>3,796.32</b>

### a. Movement in authorised share capital

Particulars	₹ in Lakhs	
	Equity Share Capital	
	Number of shares	Amount ₹ in Lakhs
<b>As at April 01, 2021</b>	35,000,000	3,500.00
Increase / (decrease) during the year	7,000,000	700.00
<b>As at April 01, 2022</b>	42,000,000	4,200.00
Increase / (decrease) during the year	-	-
<b>As at March 31, 2023</b>	<b>42,000,000</b>	<b>4,200.00</b>

### b. Movement in Issued, Subscribed and fully paid up share capital

Particulars	₹ in Lakhs	
	Equity Share Capital	
	Number of shares	Amount ₹ in Lakhs
<b>As at April 01, 2021</b>	30,963,164	3,096.32
Increase / (decrease) during the year	7,000,000	700.00
<b>As at April 01, 2022</b>	37,963,164	3,796.32
Increase / (decrease) during the year	1,000,000	100.00
<b>As at March 31, 2023</b>	<b>38,963,164</b>	<b>3,896.32</b>

### c. Shares held by holding company and /or their subsidiaries

The Company being holding company, there are no shares held by any other holding company and their subsidiaries.

### d. Aggregate number of bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

### e. During the year following equity share were issued by the company

The Board of Directors of the Company has converted the share warrants and allotted 1,000,000 equity shares of the face value of ₹10/- each fully paid at a premium of ₹ 35/- each

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

**f. Details of shares held by shareholders holding more than 5% of equity share of the company**

₹ in Lakhs

Name of the Shareholder	As at March 31, 2023	
	Number of shares held	% holding
Shivaji Tukaram Akhade	5,849,981	15.01
India Nivesh Renaissance Fund	4,794,520	12.31
Sudhir Vitthal Mungase	4,323,431	11.10
Sharjah Cement and Industrial Development Company Ltd	3,265,432	8.38
JM Financial Asset Reconstruction Company Limited	2,702,702	6.94
Utpal H Sheth	2,375,000	6.10
<b>Total</b>	<b>23,311,066</b>	<b>59.84</b>

₹ in Lakhs

Name of the Shareholder	As at March 31, 2022	
	Number of shares held	% holding
Shivaji Tukaram Akhade	5,349,981	14.09
India Nivesh Renaissance Fund	4,794,520	12.63
Sudhir Vitthal Mungase	3,823,431	10.07
Sharjah Cement and Industrial Development Company Ltd	3,265,432	8.60
JM Financial Asset Reconstruction Company Limited	2,702,702	7.12
Utpal H Sheth	2,375,000	6.26
<b>Total</b>	<b>22,311,066</b>	<b>58.77</b>

**g Terms and rights attached to equity shares**

The company has only one class of equity shares having a face value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distributions of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**h. Details of share holding of promoters (Equity shares)**

Sr. No	Promoters name	As at March 31, 2023		As at March 31, 2022		Change in*	
		No. of shares	% of holding	No. of shares	% of holding	No. of shares	%
1	Shivaji Tukaram Akhade	5,849,981	15.01	5,349,981	14.09	500,000	9.35%
2	Sudhir V. Mungase	4,323,431	11.10	3,823,431	10.07	500,000	13.08%
3	Vilas V. Lande	1,419,176	3.64	1,419,176	3.64	-	0.00%
4	Rema Radhakrishnan	308,717	0.79	308,717	0.79	-	0.00%
5	M. Radhakrishnan	109,953	0.28	109,953	0.28	-	0.00%
6	Linc Wise Software Pvt Ltd	1,000,000	2.57	1,000,000	2.57	-	0.00%

\*percentage change is computed with respect to the number at the beginning of the year and number of shares at the end of the year



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Sr. No	Promoters name	As at March 31, 2022		As at March 31, 2021		Change in*	
		No. of shares	% of holding	No. of shares	% of holding	No. of shares	%
1	Shivaji Tukaram Akhade	5,349,981	14.09	3,474,981	11.22	1,875,000	53.96%
2	Sudhir V. Mungase	3,823,431	10.07	2,948,431	9.52	875,000	29.68%
3	Vilas V. Lande	1,419,176	3.64	1,419,176	4.58	-	0.00%
4	Rema Radhakrishnan	308,717	0.79	308,717	1.00	-	0.00%
5	M. Radhakrishnan	109,953	0.28	109,953	0.36	-	0.00%
6	Linc Wise Software Pvt Ltd	1,000,000	2.57	1,000,000	3.23	-	0.00%

\*percentage change is computed with respect to the number at the beginning of the year and number of shares at the end of the year

## Note 18 Other Equity

### A. Reserves and Surplus

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium Reserve	25,787.25	25,437.25
Revaluation Reserve	90.59	90.59
General Reserve	1,202.28	1,202.28
Equity component of compound financial instruments	61.75	61.75
Other Comprehensive Income (OCI)	18.80	29.27
Retained Earnings	(24,913.12)	(26,401.28)
<b>Total Reserves and Surplus</b>	<b>2,247.55</b>	<b>419.87</b>
<b>B. Money received against share warrants</b>	-	112.50
<b>Total Other Equity</b>	<b>2,247.55</b>	<b>532.37</b>

### Reserves and Surplus

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	25,437.25	23,337.25
Add: Premium received	350.00	2,100.00
Balance at the end of the year	25,787.25	25,437.25
<b>Revaluation Reserve</b>		
Balance as at the beginning and end of the year	90.59	90.59
<b>General Reserve</b>		
Balance as at the beginning and end of the year	1,202.28	1,202.28
<b>Equity component of compound financial instruments</b>		
Balance as at the end of the year	61.75	61.75
<b>Other Comprehensive Income (OCI)</b>		
Balance as at the beginning of the year	29.27	(15.13)
Add: Items of other comprehensive income recognised directly in retained earnings ( Remeasurement of post-employment benefit obligations- (loss)/ gain)	(10.47)	44.40

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balance as at the end of the year	18.80	29.27
<b>Retained Earnings</b>		
Balance as at the beginning of the year	(26,401.28)	(27,150.94)
Add: Profit / (Loss ) for the year	1,488.15	749.67
Balance as at the end of the year	(24,913.12)	(26,401.28)
<b>Total</b>	<b>2,247.55</b>	<b>419.87</b>

### Nature and Purpose of Reserves:

a) **Retained earnings :**

Retained earnings represent the amount of accumulated earnings of the Company

b) **Securities premium account:**

Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of The Companies Act, 2013.

c) **Revaluation Reserve:**

Revaluation Reserve is used to record the revaluation amount which represents the current and probable future value of assets which is higher than the recorded historic cost of the same asset.

d) **General Reserves:**

Represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 2013 and transition adjustments on implementation of new accounting standards.

e) **Other Comprehensive income:**

This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other comprehensive Income, net of amounts reclassified, If any, to Retained Earnings when those instruments are disposed off.

f) **Equity component:**

Equity component of compound financial instruments is represent for amount of closed Lease Right of Use Assets

### Money received against share warrants

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	112.50	-
Add: warrants issued during the year		112.50
Less: warrants converted in equity shares during the year	112.50	-
Balance at the end of the year	-	<b>112.50</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Share warrants converted during the financial year 2022-23

The outstanding amount on share warrants had to be paid in full on or before twelve months from the date of allotment of warrants.

The Promoters have paid the balance 75% of warrant price on June 01, 2022 and exercised their right for conversion of 10,00,000 warrants into equal number of equity shares of the Company. Hence, the Board of Directors of the Company has allotted 10,00,000 equity shares of the face value of ₹10/-each fully paid at a price of ₹ 45/- each on June 01, 2022.

## Share warrants issued during the financial year 2021-22

The Company had issued and allotted 10,00,000 convertible share warrants on preferential basis to the Promoters pursuant to the shareholders' approval obtained on April 21, 2021. The warrants were allotted in the month of June 03, 2021 at a price of ₹ 45/- each ("warrant price") upon receipt of 25 % upfront amount ₹1.12 Crores which was outstanding as at March 31, 2022

## Note 19 Borrowings (non current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
From Financial Institutions (Refer Note 19.1 & 19.2)	3,146.48	2,778.39
<b>Total</b>	<b>3,146.48</b>	<b>2,778.39</b>

### Note 19.1 Details of repayment of term loan

Lender	₹ in Lakhs			
	Amount outstanding as at March 31, 2023	Amount outstanding as at March 31, 2022	Nature of Facility	Terms of repayment/ Maturity detail
Bank of Baroda Term Loan	-	26.93	Term Loan	Loan Closed
Bank of Baroda Term Loan	-	34.34	Term Loan	
Bank of Baroda FITL	-	31.00	Term Loan	
JM Financial ARC-Restructured TL	760.00	1,709.79	Term Loan	Repayment in 10 quarterly installment commencing from Dec 2021 till Mar 2024 (Restructured)
JM Financial ARC-Converted TL	1,000.00	-	Term Loan	Repayment in 8 quarterly installment commencing from Aug 2022 till April 2024.
Tata Motors Finance Solution Ltd	-	285.12	Term Loan	Loan Closed
Tata Motors Finance Solution Ltd	-	170.44	Term Loan	Loan Closed
Tata Motors Finance Solution Ltd	-	200.08	Term Loan	Loan Closed
Tata Motors Finance Solution Ltd	315.70	383.75	Term Loan	Repayment in 72 equated monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	336.49	408.60	Term Loan	Repayment in 72 equated monthly installments starting from Oct-2020 to Sept-2026.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

₹ in Lakhs

Lender	Amount outstanding as at March 31, 2023	Amount outstanding as at March 31, 2022	Nature of Facility	Terms of repayment/ Maturity detail
Tata Motors Finance Solution Ltd	1,366.41	1,658.95	Term Loan	Repayment in 72 equated monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	1,816.06	-	Term Loan	Repayment in 48 equated monthly installments starting from Jan-2023 to Dec-2026.
Sub-total	5,594.66	4,909.00		
Less : Current maturities of long term borrowings	2,448.18	2,130.61		
<b>Total</b>	<b>3,146.48</b>	<b>2,778.39</b>		

## 19.2 Details of Security offered for borrowings outstanding as at March 31, 2023

- Bank of Baroda's Term loan and working capital are secured by exclusive First Charge by way of equitable mortgage of factory land & building, office building and hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc. both present and future situated at Plot No.5, 6 & 8, Tata Motors Ltd. Vendor Park, Rudrapur, Uttarakhand and Second Charge by way of mortgage of factory land & building, office building and hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future situated at S.No. 313,314, 320 to 323, at Nanekarwadi, Chakan, Pune 410501. (called as Chakan Unit- II).
- JM Financial A R C Pvt. Ltd.'s loans are secured by First Charge pari passu on Land with factory building and by way of hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future, situated at S. No. 313,314,320 to 323, at Nanekarwadi, Chakan, Pune (called as Chakan Unit- II). Further it is secured by second Charge by way of mortgage of factory land & building, office building and hypothecation of plant and machinery and other movable fixed assets of the Company situated at Plot No. 6 & 8, Tata Motors Ltd. Vendor Park, SIDCUL, Rudrapur, Uttarakhand.
- Tata Motors Finance Solutions Ltd 's Term loans are secured by first charge on Land & Building, Plant & Machinery of the Company situated at S. No. 313, 314, 320 to 323, Nanekarwadi, Chakan, Tal Khed, Dist Pune Extension of First Pari passu charge of ₹ 23.75 crores with JM Financial A R C Pvt. Ltd. Further they are secured by First & Exclusive charge on land, Building, Plant & Machinery both present and future situated at Survey no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and first exclusive charge on land and building, plant & machinery situated at Plot No. 186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka.
- Credit facilities of Bank Of Baroda are secured by personal guarantee of Managing Director, One Promotor Director and one employee of the company and Cash margin in fixed deposit of ₹3 crores for LC limit of ₹20 crores
  - Credit Facilities of Tata Motors Financial Services Ltd and JM Financial A R C Pvt. Ltd are further guaranteed by Managing Director and One Promotor Director in their personal capacity.
- Term Loans sanctioned by Bank of Baroda and JM Financial A R C Ltd are having second charge on all Current Assets of the Company.

## Notes forming part of Standalone Financial Statements as at March 31, 2023

6. Interest rate for above loans are range between 10% to 13%
7. Repayment default on Long Term Borrowings outstanding as at the year end is as follows:-

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
From Others		
Principal Amount	-	190.00
Interest Amount	-	89.66

These defaults have been paid till the date of approval of financial statements

8. The Company has delayed/defaulted in the payment of borrowings. The summary of default during the year is as under :

Name of Lender	Nature of Borrowing	Principal	
		Total amount not paid on due date (₹ In Lakhs)	Period (maximum days)
Bank of Baroda Ltd	Rupee Term Loan	53.59	4
Tata Motors Finance Solution Ltd	Rupee Term Loan	820.87	17

Name of Lender	Nature of Borrowing	Interest	
		Total amount not paid on due date (₹ In Lakhs)	Period (maximum days)
Tata Motors Finance Solution Ltd	Rupee Term Loan	391.11	17

Name of Lender	Nature of Borrowing	Grand Total	
		Total amount not paid on due date (₹ In Lakhs)	Period (maximum days)
Bank of Baroda Ltd	Rupee Term Loan	53.59	4
Tata Motors Finance Solution Ltd	Rupee Term Loan	1,211.98	17

### Note 20 Lease liabilities (non-current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Lease liabilities ( Refer note No.41B )	136.04	124.59
<b>Total</b>	<b>136.04</b>	<b>124.59</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 21 Provisions (non-current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Compensated absences (Refer note 45)	86.78	78.19
<b>Total</b>	<b>86.78</b>	<b>78.19</b>

## Note 22 Borrowings (current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Loans repayable on demand - cash credit		
From Banks	1,588.80	1,778.19
From Financial Institutions	999.99	999.99
Current Maturities -		
Long-Term Borrowings	2,448.18	1,940.61
Repayment Overdue on long term borrowings (secured )	-	190.00
Optionally Convertible Debentures	-	1,495.11
Bill discounted	4,147.18	8,127.45
<b>Unsecured</b>		
From Financial Institutions	3,494.55	3,487.57
Related Parties - Intercompany deposits (Refer Note 39)	408.72	426.38
Related Parties - Promoters & Directors (Refer Note 39)	477.30	130.92
Others - Intercompany deposits	-	1,871.01
<b>Total</b>	<b>13,564.72</b>	<b>20,447.23</b>

- All working capital borrowings from the banks have been secured with first charge by hypothecation of current assets of the company and further secured with Second Charge by Mortgage / Hypothecation of Fixed Assets of the Company.
- Working capital borrowings from Banks are further guaranteed in the personal capacity by Managing Director, One Promoter Director and One employee of the Company.
- Working capital borrowings from financial institutions are guaranteed in the personal capacity by Managing Director and One Promoter Director of the Company.
- Unsecured loan from subsidiaries, related parties and other corporates are repayable on demand



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 23 Trade payables

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>(A) Total outstanding dues of micro and small enterprises</b>	<b>754.11</b>	<b>164.90</b>
( Refer note no 43 for disclosures as per MSMED Act 2006)		
Outstanding dues of Creditors other than micro and small enterprises		
Acceptances (Letter of credit)	1,124.77	1,050.53
Trade payables ( other than related parties )	5,198.71	4,587.05
Trade payables to related parties (refer note no 39)	236.65	311.64
<b>(B) Total outstanding dues of Creditors other than micro and small enterprises</b>	<b>6,560.13</b>	<b>5,949.22</b>
<b>Total Trade Payable (A+B)</b>	<b>7,314.24</b>	<b>6,114.12</b>

The balances of trade payable for the amount due to some of them are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

### Trade Payables Ageing Schedule

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>(I) MSME</b>		
<b>a) Disputed dues - MSME</b>		
Not Due	-	-
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>b) Other than Disputed dues-MSME</b>		
Not Due	322.19	26.39
Less than 1 year	430.70	99.08
1-2 Years	1.22	0.44
2-3 Years	-	38.99
More than 3 years	-	-
<b>Total</b>	<b>754.11</b>	<b>164.90</b>
<b>(II) Other Than MSME</b>		
<b>a) Disputed dues - Others</b>		
Not Due	-	-
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>b) Other than Disputed dues-Others</b>		
Not Due	3,537.09	802.63
Less than 1 year	2,763.87	4,806.03
1-2 Years	94.99	143.84
2-3 Years	65.76	127.22
More than 3 years	98.42	69.49
<b>Total</b>	<b>6,560.13</b>	<b>5,949.22</b>
<b>Grand Total</b>	<b>7,314.24</b>	<b>6,114.12</b>

## Note 24 Other Financial Liabilities (current)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefits payable	304.82	346.77
Other expenses payables	450.50	766.70
Settlement Claim Payable	386.15	680.76
Interest Payable	672.73	668.87
<b>Total</b>	<b>1,814.20</b>	<b>2,463.10</b>
<b>Lease liabilities</b> (Refer Note 41 B)	47.11	24.17
<b>Total</b>	<b>1,861.31</b>	<b>2,487.27</b>

## Note 25 Other Current liabilities

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers	256.61	303.93
Statutory dues payables	2,328.00	2,618.56
Advances against sale of Property, Plant & Equipment	-	200.00
<b>Total</b>	<b>2,584.61</b>	<b>3,122.49</b>

## Note 26 Provisions (current)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (refer note 45)	525.74	467.94
Compensated absences	8.49	7.06
<b>Total</b>	<b>534.23</b>	<b>475.00</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 27 Revenue from operations

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from contracts with customer</b>		
Sale of products	56,634.12	49,673.51
Other operating revenues	8,024.72	6,964.38
<b>Total</b>	<b>64,658.84</b>	<b>56,637.89</b>

### A Disaggregate revenue

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue recognised for the year 2022-23</b>		
Revenue recognised at point-in-time for the year 2022-23	64,658.84	56,637.89
Revenue recognised over time for the year 2022-23	-	-
Revenue for the year 2022-23 from customers within India	64,252.32	56,343.84
Revenue for the year 2022-23 from customers outside India	406.52	294.05
<b>Disaggregation of revenue</b>		
Based on type of goods		
Components, assemblies and sub-assemblies	50,547.44	45,131.59
Tools, dies and moulds	883.16	760.01
Scrap	8,008.13	6,944.34
Others	5,220.11	3,801.96
Based on market		
Original equipment manufacturers	50,346.97	44,944.62
Others	14,311.87	11,693.27
Impairment losses recognised on receivables or contract assets arising from an entity's contracts with customers (loss recognised as per expected credit loss model)	-	-

### B) Details of contract balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers.

₹ in Lakhs

Particulars	March 31, 2023	March 31, 2022
Trade receivables	7,371.03	10,822.57
Contract Liabilities	256.61	303.93

The contract liabilities primarily relate to the advance consideration received from customers and claims payable to customers, for which revenue is recognised as and when control in promised goods is transferred.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Significant changes in the contract liability balances during the year ended are as follows:

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
<b>Contract liabilities at the beginning of the year</b>	303.93	169.99
Revenue recognised that was included in the contract liability balance at the beginning of the year	140.31	87.03
Increase due to cash received, excluding amounts recognised as revenue during the year	92.99	220.97
<b>Contract liabilities at the end of the year</b>	<b>256.61</b>	<b>303.93</b>

## C) Performance Obligations

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.

## D) Transaction Price

There is no remaining performance obligation for any contract for which revenue has been recognised till period 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 less 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.

## E) 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.

## F) Determining the transaction price and the amounts

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.

## G) 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.

## Note 28 Other income

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income	159.33	161.07
Dividend income from other Investments	0.35	-
Other non-operating income	110.15	60.96
Profit on Sale of Property, Plant & Equipment	42.48	8.01
<b>Total</b>	<b>312.31</b>	<b>230.05</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 29.a Cost of materials consumed

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory of raw material at the beginning of the year	2,513.44	2,009.66
Add: Purchases	48,651.12	40,765.02
	51,164.56	42,774.68
Inventory of raw material at the end of the year	2,893.21	2,513.44
<b>Total</b>	<b>48,271.35</b>	<b>40,261.24</b>

## Note 29.b Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the end of the year:		
Finished goods	392.55	660.47
Work-in-progress ( includes tools & dies)	1,604.96	1,735.65
	<b>1,997.51</b>	<b>2,396.12</b>
Inventories at the beginning of the year:		
Finished goods	660.47	447.45
Work-in-progress ( includes tools & dies)	1,735.65	1,582.65
	2,396.12	2,030.10
<b>Net (increase) / decrease</b>	<b>398.61</b>	<b>(366.02)</b>

## Note 30 Employee benefits expenses

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and Bonus	3,040.14	2,619.11
Contributions to provident and other funds	133.14	115.44
Gratuity expenses	96.72	87.50
Employee Insurance expenses	19.70	13.82
Staff welfare expenses	249.06	231.53
Compensated absences	20.08	12.22
<b>Total</b>	<b>3,558.84</b>	<b>3,079.61</b>

## Note 31 Finance costs

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest expense on:		
(i) Borrowings	1,581.14	1,755.70
(ii) Letter of Credit	0.37	3.67
(iii) Interest on delayed / deferred payment	265.45	339.82
(iv) Interest to others	173.58	296.02
(b) Other borrowing costs	17.55	19.18
(c) Bank Charges & Commission	101.05	117.62
<b>Total</b>	<b>2,139.14</b>	<b>2,532.01</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 32 Depreciation and amortisation

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of tangible assets ( refer note 4 )	1,688.98	1,968.54
Amortisation of intangible assets ( refer note 4 )	11.76	3.19
Amortisation of ROU assets ( refer note 4 )	38.97	39.31
<b>Total</b>	<b>1,739.71</b>	<b>2,011.04</b>

## Note 33 Other expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spares	810.25	718.38
Consumption of packing material	138.97	149.16
Outsourced direct labour cost	3,193.79	3,662.21
Power and fuel	1,931.33	1,726.79
Transport charges	1,128.56	1,278.87
Repairs and maintenance - Buildings	65.47	31.74
Repairs and maintenance - Machinery	432.79	341.86
Repairs and maintenance - Others	150.53	110.31
Tooling and designing charges	76.02	122.41
Insurance	23.89	26.72
Rent	84.89	94.19
Rates and taxes	72.14	69.31
Communication expenses	20.65	20.56
Travelling and conveyance	29.08	20.18
Printing and stationery	14.10	17.18
Legal and professional fees	210.78	224.16
Security charges	117.99	126.42
Director sitting fees	16.75	15.25
Provision for Bad Debts	3.67	-
Payments to auditors (see sub-note 1)	41.06	32.88
Net loss on foreign currency transactions	40.72	24.35
Miscellaneous expenses	114.09	96.70
Sundry balances written off	13.17	253.84
<b>Total</b>	<b>8,730.69</b>	<b>9,163.48</b>



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 33.1 Other Expenses (Sub-note 1)

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Payments to auditors comprises		
As Auditors - Statutory	38.00	30.00
Reimbursement of expenses	3.06	2.88
<b>Total</b>	<b>41.06</b>	<b>32.88</b>

**Note 33.2 Corporate social responsibility expenditure :** The Company does not meet the criteria specified in sub section (i) of section 135 of the Companies [Corporate Social Responsibilities (CSR) Rule 2014] Act. Therefore it is not required to incur any expenditure on account of CSR activities during the year.

## Note 33.3 Following expenses were capitalised during the year 2022-23

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	
Internal generated tools & dies		41.34
<b>Total</b>		<b>41.34</b>

## Note 34 Exceptional items

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales tax dues paid in amnesty scheme	(164.55)	-
Profit on Sale of Property, Plant & Equipment	1,239.89	-
Insurance Claim received	280.00	
Profit on sale of equity share investment	-	463.08
Forfeiture of advance	-	100.00
<b>Total</b>	<b>1,355.34</b>	<b>563.08</b>

### Notes:

- Sales tax dues paid in amnesty scheme:** Exceptional items for the year ended on March 31, 2023 includes ₹1.65 crore for sales tax dues paid under the MVAT amnesty scheme of maharashtra state government.
- Profit on Sale of Property, Plant & Equipment:** Exceptional items for the year ended on March 31, 2023 includes Profit of ₹ 12.40 Crores from Sale of Land & factory shed/building at Survey No. Plot No.E12-17 (7) & (8), MIDC, Bhosari, Pune-411026 unit of the Company.
- Insurance Claim received:** Exceptional items for the year ended on March 31, 2023 includes ₹ 2.80 Crores for Insurance claim received against Directors & Officers liability insurance policy for expenses incurred in legal matter for CJ Automotive settlement.
- Profit on sale of equity share investment :** Exceptional items for the year ended on March 31, 2022 includes Profit of ₹4.63 Crores from Sale of equity share of Autoline Industrial Partks Limited
- Forfeiture of advance :** Exceptional items for the year ended on March 31, 2022 includes ₹1 Crores for forfeiture of advance received against sales of property plant and equipment.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 35 : Fair Value Measurement

### Financial Instrument by category

As at March 31, 2023

₹ in Lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
<b>Financial Assets:</b>			
<b>Non-Current</b>			
Other Financial assets	125.28		125.28
Investments	-	10.00	10.00
<b>Current</b>			
Trade Receivables	7,371.03		7,371.03
Cash and cash equivalents	2.59		2.59
Bank balances other than cash and cash equivalents	441.49		441.49
Loans and advances	1,281.90		1,281.90
Other Financial assets	31.33		31.33
<b>Financial Liabilities:</b>			
<b>Non-Current</b>			
Borrowings	3,146.48		3,146.48
Lease liabilities	136.04		136.04
<b>Current</b>			
Borrowings	13,564.72		13,564.72
Trade payables	7,314.24		7,314.24
Other financial liabilities	1,814.20		1,814.20
Lease liabilities	47.11		47.11

As at March 31, 2022

₹ in Lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
<b>Financial Assets:</b>			
<b>Non-Current</b>			
Other Financial assets	124.87		124.87
Investments	-	10.00	10.00
<b>Current</b>			
Trade Receivables	10,822.57		10,822.57
Cash and cash equivalents	4.23		4.23
Bank balances other than cash and cash equivalents	457.09		457.09
Loans and advances	528.30		528.30
Other Financial assets	65.17		65.17

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	₹ in Lakhs
			Total Carrying value
<b>Financial Liabilities:</b>			
<b>Non-Current</b>			
Borrowings	2,778.39		2,778.39
Lease liabilities	124.59		124.59
<b>Current</b>			
Borrowings	20,447.23		20,447.23
Trade payables	6,114.12		6,114.12
Other financial liabilities	2,463.10		2,463.10
Lease liabilities	24.17		24.17

## Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

	Date of Valuation	Level 1	Level 2	₹ in Lakhs
				Level 3
<b>Financial Assets</b>				
Investments:				
Equity Instruments	31/03/2023	-	-	10.00

### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022

	Date of Valuation	Level 1	Level 2	₹ in Lakhs
				Level 3
<b>Financial Assets</b>				
Investments:				
Equity Instruments	31/03/2022	-	-	10.00

The carrying amount of trade receivables, cash and cash equivalent, bank balances other than cash and cash equivalent, other current financial assets, short term borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature. The Company has availed long term borrowings from banks and financial institutions carrying interest in the range of 9.50% to 15%. The carrying values approximates their respective fair values. Similarly the fair value of non-current financial assets also approximates its carrying value.

The Cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Financial assets and liabilities measured at Amortised cost:

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.

The fair value of investments in mutual funds are based on the price quotation at the reporting date obtained from the asset management companies.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. The Company does not have any financial asset in this measurement category.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, mutual funds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

## Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include

- Fair value of forward foreign exchange contracts is determined using forward exchange rate as at the balance sheet date
- Fair value of remaining financial instruments is determined using discounted cash flow analysis

## Valuation processes

For valuation of financial assets and liabilities, the finance department of the company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and the valuation team on regular basis.

## Note 36 : Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies, the Company is exposed primarily to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Company has a system based approach and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks which covers risks associated with the financial assets and liabilities such as credit risks, liquidity risk etc. The risk management policy is approved by the board of directors. The risk management framework aims to achieve greater predictability to earnings by determining the financial value of the expected earnings in advance. Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

### A. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of illiquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable us to meet our payment obligations. Currently the company is facing liquidity crises due to huge interest cost.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Management monitors rolling forecast of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this.

## Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

₹ in Lakhs

Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
<b>March 31 2023</b>				
<b>Non Derivatives</b>				
Borrowings	9,417.54	1,203.86	1,942.62	12,564.02
Lease liabilities	47.11	56.12	79.92	183.15
Bill Discounting	4,147.18			4,147.18
Trade Payables	7,314.24			7,314.24
Other Financial Liabilities	1,814.20			1,814.20
<b>Total Non-Derivative Liabilities</b>	<b>22,740.27</b>	<b>1,259.98</b>	<b>2,022.54</b>	<b>26,022.79</b>

₹ in Lakhs

Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
<b>March 31 2022</b>				
<b>Non Derivatives</b>				
Borrowings	12,319.78	1,246.85	1,531.54	15,098.17
Lease liabilities	24.17	28.30	96.30	148.77
Bill Discounting	8,127.45			8,127.45
Trade Payables	6,114.12			6,114.12
Other Financial Liabilities	2,463.10			2,463.10
<b>Total Non-Derivative Liabilities</b>	<b>29,048.62</b>	<b>1,275.14</b>	<b>1,627.84</b>	<b>31,951.61</b>

## B. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

(a) Interest rate risk

The company has fixed rate borrowing and variable rate borrowings in order to obtain more efficient leverage. The fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Floating rate debt results in cash flow interest rate risk. The company has taken both interest rate risk debts for managing its liquidity and day to day requirements of the funds.

The exposure of the borrowings [long term and short term (excluding bill discounting receivable )] to interest rate changes at the end of the reporting period are as follows :

Particulars	₹ in Lakhs	
	31-Mar-23	31-Mar-22
Variable Rate Borrowings	5,083.35	1,870.44
Fixed Rate Borrowings	7,480.67	13,227.73
<b>Total Borrowings</b>	<b>12,564.02</b>	<b>15,098.17</b>

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swaps contracts outstanding's

	As at March 31, 2023		
	Weighted average interest rate	Balance (₹ in Lakh)	% of total loans
Bank loans, cash credits, working capital loans	11.79%	5,083.35	40.46%
<b>Net exposure to cash flow interest rate risk</b>		<b>5,083.35</b>	

	As at March 31, 2022		
	Weighted average interest rate	Balance (₹ in Lakh)	% of total loans
Bank loans, cash credits, working capital loans	12.00%	1,870.44	12.39%
<b>Net exposure to cash flow interest rate risk</b>		<b>1,870.44</b>	

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

**Sensitivity Analysis:**

The sensitivity analysis is determined on the basis of interest rates on floating liabilities. The outstanding liabilities at the year end are considered as a base for the whole year.

If all the other variable factors remain constant, the changes in 100 basis points in the interest rate (up and down), the results are in the below table.

Change in Interest Rate	₹ in Lakhs	
	Impact on Floating Rate Borrowings	
	As At March 31, 2023	As At March 31, 2022
Increase in rates by - 1%	50.83	18.70
Decrease in rates by - 1%	(50.83)	(18.70)



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## (b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	₹ in Lakhs	
	As At March 31, 2023	As At March 31, 2022
Trade Payables /(Advance)		
USD	(10.62)	11.01
USD	17.29	-
EURO	3.16	7.33
Trade Receivable		
USD	107.00	57.19
EURO	-	0.74
Others Payable		
USD	386.15	680.76

## C. 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. Credit risk arises from cash and cash equivalents, other balances and deposits with bank and financial institutions and trade receivables, derivative financial instruments and financial guarantees.

### 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: (A). 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 (B). actual or expected significant changes in the operating results of the counterparty (C). significant increase in credit risk on other financial instruments of the same counterparty (D). significant changes in the value of the collateral supporting the obligation or in the quality of thirdparty 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 forming part of Standalone Financial Statements

as at March 31, 2023

## 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, 2023, 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 other than trade receivables. The Company follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

₹ in Lakhs			
Trade Receivables	As at March 31, 2023		
	Gross	Allowance	Net
Period (in months)			
Not due	6,370.45	-	6,370.45
Overdue upto 3 months	478.73	-	478.73
Overdue 3-6 months	246.55	-	246.55
Overdue more than 6 months	275.30	-	275.30
<b>Total</b>	<b>7,371.03</b>	<b>-</b>	<b>7,371.03</b>

₹ in Lakhs			
Trade Receivables	As at March 31, 2022		
	Gross	Allowance	Net
Period (in months)			
Not due	10,190.08	-	10,190.08
Overdue upto 3 months	436.11	-	436.11
Overdue 3-6 months	64.14	-	64.14
Overdue more than 6 months	132.24	-	132.24
<b>Total</b>	<b>10,822.57</b>	<b>-</b>	<b>10,822.57</b>

## Note 37 : Capital management

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- To Maintain an optimal capital structure to reduce the cost of capital.

The company determines the amount of capital required on the basis of annual operating plans, long term product and maintaining other strategic investment plans. The funding requirements are met through equity, long term borrowings and short term borrowings. The company's policy is aimed at maintaining optimum combination of short term and long term

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

borrowings. The company manages its capital structure and makes adjustments considering the economic environment, the maturity profile of the overall debt of the company and the requirement of the financial covenants.

Particulars	₹ in Lakhs	
	As At March 31, 2023	As At March 31, 2022
Total long term debt (refer note 19)	3,146.48	2,778.39
Total Debt	16,894.34	23,374.39
Total Equity	6,143.87	4,328.69
Total Capital	23,038.21	27,703.08
Long term debt to equity ratio	0.51	0.64
Total debt to equity ratio	2.75	5.40

## Note 38 : Segment Information

Ind As 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosure about products and services, geographic areas and major customer. The company is engaged mainly in the business of manufacturing sheet metal auto components and assemblies thereof. Based on the 'management approach' as defined in Ind As 108, the 'Chief operating Decision Maker' (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical areas in which the company operates are India.

### i) The revenue from external customer for each of the major products is as follows

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Components, assemblies and sub-assemblies	50,547.44	45,135.65
Tools, Dies and Moulds	883.16	760.01
Scrap	8,008.13	6,944.34
Others	5,220.11	3,797.89
<b>Total</b>	<b>64,658.84</b>	<b>56,637.89</b>

### ii) Geographical Information

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from customers</b>		
Within India	64,252.32	56,343.84
Outside India	406.52	294.05
<b>Total</b>	<b>64,658.84</b>	<b>56,637.89</b>

**Non-Current Assets** : The Company has common non-current operating asset for domestic as well as overseas market, hence separate figures for these assets are not required to be published.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## iii) Major customer

**The Revenue from customers which is more than 10% of companies total revenue.**

₹456.46 crore (previous year ₹409.52 crore) of the company's revenue attributable to one of its customer Tata Motors Limited Group.

## Note 39 : Related Party Transactions

### a) Related parties and their relationship

#### 1) Subsidiaries

- i) Autoline Design Software Ltd. (ADSL)
- ii) Autoline Industrial Parks Ltd. ( AIPL)
- iii) Autoline E-Mobility Pvt Ltd (AEMPL)
- iv) Autoline Locomotive Parts LLP (Stike off w.e.f March 30,2023)

#### Foreign Subsidiary

- iii) Koderat Investments Ltd., Cyprus

#### 2) Key Management Personnel (KMP)

- Mr. Vilas Lande - Chairman Emeritus
- Mr. Prakash B. Nimbalkar - Chairman (Non-executive Director)
- Mr. Shivaji Akhade - Managing Director & CEO
- Mr. Sudhir Mungase - Wholetime Director
- Mr. Vijay Thanawala- Independent Director
- Mr. Sridhar Ramachandran- Nominee Director
- Mrs. Rajashri Sai- Independent Director

#### 3) Relatives of KMP

Key Management Personal - Mr. Vilas Lande, Mr. Shivaji Akhade and Mr. Sudhir Mungase are related to each other.

#### 4) Companies/Entities in which KMP / Relatives of KMP can exercise significant influence

- i) Balaji Enterprises
- ii) Shreeja Enterprises
- iii) Sumeet Packers Pvt. Ltd.
- iv) Siddhai Platers Private Ltd.
- v) Om Sai Transport Co.
- vi) Viro Hi-Tech Engineers Pvt. Ltd.
- vii) S.V. Aluext Profile Pvt. Ltd.
- viii) Vimal Extrusion Pvt Ltd

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

- ix) Balaji Industries
- x) Jay Ambe Enterprises
- xi) Lincwise Software Pvt Ltd

1. Related parties have been identified by the Management and relied upon by the Auditors.
2. The Company is holding 43.26% Equity Share of AIPL, however since it controls the composition of Board of Directors, AIPL is treated as Subsidiary Company.

## b) Transactions with related parties

₹ in Lakhs

Nature Of Transaction	Transaction Value		Closing balance	
	Year ended	Year ended	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Sale of Goods / Service</b>				
<b>Subsidiaries</b>				
Autoline E-mobility Pvt. Ltd.	322.39	-	-	-
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Balaji Enterprises	-	77.65	-	-
Shreeja Enterprises	-	-	-	-
Viro Hi-Tech Engineers Pvt. Ltd.	-	0.33	-	0.14
Jai Ambe Enterprises	0.50	-	-	-
Balaji Industries	966.45	606.03	-	9.70
Om Sai Transport Co.	4.62	-	-	-
Shivaji Akhade	1.56	-	-	-
<b>Purchase of Goods / Service</b>				
<b>Subsidiaries</b>				
Autoline Design Software Ltd.	113.77	327.83	-	-
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Balaji Enterprises	-	73.22	-	(18.49)
Shreeja Enterprises	1.05	8.66	(15.11)	(11.60)
Sumeet Packers Pvt. Ltd.	40.11	51.96	23.18	52.67
Siddhai Platters Pvt. Ltd.	132.53	53.90	56.21	31.91
Om Sai Transport Co.	86.15	253.12	(115.79)	156.42
Viro Hi-Tech Engineers Pvt. Ltd.	99.27	59.71	40.87	37.46
S.V. Aluext Profile Pvt Ltd	7.78	0.03	3.35	0.32
Jai Ambe Enterprises	42.52	30.37	16.75	23.22
Balaji Industries	1022.41	567.28	85.28	-
<b>Maintenance Charges Received</b>				
<b>Subsidiaries</b>				
Autoline Design Software Limited	0.90	3.60	-	-
<b>Rent Received</b>				
<b>Subsidiaries</b>				
Autoline Design Software Limited	0.00	0.00	-	-

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

₹ in Lakhs

Nature Of Transaction	Transaction Value		Closing balance	
	Year ended March 31, 2023	Year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
Autoline E-mobility Pvt Ltd	1.50	-		
<b>Rendering of Services</b>				
<b>Subsidiaries</b>				
Autoline Design Software Limited	6.00	6.00	-	-
Autoline Industrial Parks Limited	3.00	3.00	-	-
Autoline E-mobility Pvt Ltd	1.50	-	-	-
Autoline Locomotive Parts LLP	0.30	-	-	-
<b>Receiving of Services</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Sudhir Mungase	-	-	-	4.36
Mr. V V Lande	23.00	18.00	19.07	3.08
<b>Investment received ( in equity )</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	168.75	750.00	-	-
Mr. Sudhir Mungase	168.75	350.00	-	-
Mr. V V Lande	-	-	-	-
<b>Investment received ( in convertible share warrants)</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	-	56.25	-	-
Mr. Sudhir Mungase	-	56.25	-	-
<b>Investment Made ( in equity )</b>				
<b>Subsidiaries</b>				
Autoline Industrial Parks Limited	-	150.00	-	-
<b>Loan given</b>				
<b>Subsidiaries</b>				
Autoline Industrial Parks Limited	86.88	405.46	298.76	246.03
Autoline Design Software Limited	269.79	386.54	415.71	273.51
Autoline E-Mobility Pvt Ltd	574.81	-	561.37	-
Autoline Locomotive Parts LLP	0.30	0.15	-	0.15
<b>Loan Recovered</b>				
<b>Subsidiaries</b>				
Autoline Industrial Parks Limited	60.05	461.50	-	-
Autoline Design Software Limited	164.36	356.90	-	-
Autoline E-Mobility Pvt Ltd	48.33	-	-	-
Autoline Locomotive Parts LLP	0.45	-	-	-
<b>Loan Received</b>				
<b>Subsidiaries</b>				
Autoline Industrial Parks Limited	-	-	-	-
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	1,364.00	1,076.10	300.48	8.75
Mr. Sudhir Mungase	169.36	219.40	176.82	122.17



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

₹ in Lakhs

Nature Of Transaction	Transaction Value		Closing balance	
	Year ended March 31, 2023	Year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Vimal Extrusion Pvt Ltd	426.00	600.00	361.34	379.59
Sumeet Packers Pvt. Ltd.	-	35.00	5.78	5.19
Lincwise Software Private Limited	-	-	41.60	41.60
<b>Loan Repayment</b>				
<b>Subsidiaries</b>				
Autoline Industrial Parks Limited	-	-	-	-
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	1,074.37	1,387.54	-	-
Mr. Sudhir Mungase	122.00	158.00	-	-
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Vimal Extrusion Pvt Ltd	450.71	224.00	-	-
Lincwise Software Pvt Ltd	-	-	-	-
Sumeet Packers Pvt. Ltd.	-	30.00	-	-
<b>Interest Received on Loan</b>				
<b>Subsidiaries</b>				
Autoline Industrial Parks Limited	28.78	40.23	-	-
Autoline Design Software Limited.	40.86	43.31	-	-
Autoline E-Mobility Pvt Ltd	38.76	-	-	-
Autoline Locomotive Parts LLP	0.03	-	-	-
<b>Interest Paid on Loan</b>				
<b>Subsidiaries</b>				
Autoline Industrial Parks Limited	-	-	-	-
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	20.69	15.14	-	-
Mr. Sudhir Mungase	8.11	2.36	-	-
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Vimal Extrusion Pvt Ltd	28.91	9.56	-	-
Sumeet Packers Pvt. Ltd.	0.65	0.21	-	-
<b>Director Remuneration</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	57.38	58.35	-	13.40
Mr. Sudhir Mungase	22.95	23.34	-	6.15
Mr. Prakash B Nimbalkar	1.40	-	1.40	-
Mr. Vijay K Thanawala	1.40	-	1.40	-
Mr. Sridhar Ramachandran	1.40	-	1.40	-
<b>Director Sitting Fees</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Prakash B Nimbalkar	6.35	5.90	3.56	0.77
Mr. Vijay K Thanawala	4.10	3.80	1.53	0.77
Mr. Sridhar Ramachandran	4.35	3.90	2.95	0.41
Mrs. Rajashri Sai	1.95	1.65	0.68	0.27

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

**Note :**

- a) The closing balances above are net of advances.
- b) All outstanding balances are unsecured and are repayable in cash
- c) In addition to above related party transactions Managing Director and One Promoters Director has mortgaged their industrial plot against facility from financial institution. Further personal guarantee is provided by Managing Director and One Promoters Director of the Company for various facilities sanctioned.

## Note 40 : Contingent liabilities ( To the extent not provided for )

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Claims against the Company not acknowledged as debt</b>		
Central Sales Tax & VAT Dues	525.03	1,195.87
Provident Fund Dues	34.06	34.06
<b>Letter of Credit</b>		
Issued by Bank of Baroda	875.23	949.47

The claims subject to legal proceedings, have arisen in the ordinary course of business. The management does not reasonably expect that these claims and commitments, when ultimately concluded and determined, will have a material and adverse effect on the Companies results of operations or financial conditions.

In addition to above there are certain pending cases in respect of labour matters, the impact of which is not quantifiable and is not expected to be material.

- (a) The Company has received various demand/notices from the VAT/Sales Tax Department on various matters. The company has filed appeal for these demand/notices and does not expect any significant outflows. Major demand is for mismatch between details as per the Company with that filed by vendors and other matters for which demand is raised and interest/penalty is charged. Further, the Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Company's financial position and results of operations.
- (b) There are numerous interpretative issues relating to Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution to provident fund under the Employees Provident Funds and Miscellaneous Provident Act, 1952. The Company has also assess the matter and basis the same there is no material impact on the financial statements as at 31 March 2023. The Company would record any further effect on its financial statements, on receiving additional clarity on the subject.
- (c) The Company is contesting various claims relating to labour matters and the management believes its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Company's financial position and results of operations.

## Note 41 : Commitments

### A) Capital Commitments

Particulars	₹ in Lakhs	
	Amount	
Capital commitments for Civil Work	18.01	

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## B) Leases

### (a) Right-of-use assets

This note provides for information for leases where the company is a lessee. The company has leased Building properties. The Company has applied Ind AS 116 using the modified retrospective approach method with effect from April 01, 2019 to all leases subject to exemptions provided under Paragraph 5 of Ind AS 116.

### (i) Amounts recognized in Balance Sheet:

#### Right-of-use assets:

The changes in the carrying value of ROU assets for the year ended March 31, 2023 are as follows

Particulars	₹ in Lakhs	
	Building	Total
<b>Gross carrying amount as at April 01, 2022</b>	143.81	143.81
Addition during the year	64.25	64.25
Disposals	-	-
Deletion / Adjustment due to lease modification	-	-
Depreciation	38.97	38.97
<b>Gross carrying amount as at March 31, 2023</b>	<b>169.09</b>	<b>169.09</b>
<b>Gross carrying amount as at April 01, 2021</b>	61.03	61.03
Addition during the year	159.65	159.65
Disposals	37.55	37.55
Deletion / Adjustment due to lease modification	-	-
Depreciation	39.31	39.31
<b>Gross carrying amount as at March 31, 2022</b>	<b>143.81</b>	<b>143.81</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2023 is as follows

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
<b>Lease Liabilities:</b>	183.15	148.77
Current	47.11	24.17
Non-current	136.04	124.59

The movement in lease liabilities during the year ended March 31, 2023 is as follows :

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
<b>Balance at the beginning of the year</b>	<b>148.77</b>	<b>71.56</b>
Additions	64.25	159.65
Disposals	-	47.78
Finance cost accrued during the period	19.12	15.76
Deletion / Adjustment due to lease modification	-	-
Payment of lease liabilities	48.98	50.42
<b>Balance at the end of the year</b>	<b>183.15</b>	<b>148.77</b>

## Notes forming part of Standalone Financial Statements as at March 31, 2023

The maturity analysis of lease liabilities as at March 31, 2023:

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
Less than one year	47.11	24.17
One to five years	136.04	124.59
More than five years	-	-
<b>Total</b>	<b>183.15</b>	<b>148.77</b>

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**(ii) Variable Lease payments**

Estimation uncertainty arising from variable lease payments

There were no leases with variable lease payments.

**(iii) Extension and termination options**

Extension and termination options are considered in a number of leases across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable on a mutual consideration between lessor and the Company. Therefore the extension and termination option is not considered.

**(iv) Residual value guarantees**

There were no leases with residual value guarantees.

**(b) Interest Expense on Lease Liabilities**

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
Interest on lease liabilities	19.12	15.76

**(c) Amount recognised in the statement of Cash flow**

The total cash outflow for leases for the year ended March 31, 2023 was ₹ 48.98 lakhs (₹50.42 lakh Previous Year)

### Note 42 : Earning / (Loss) per share

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Basic</b>		
Profit / (Loss) for the year as per statement of Profit and Loss ( ₹ in Lakhs)	1,488.15	749.67
Weighted average number of equity shares ( In Lakhs )	387.96	367.65
Earnings /(Loss) per share	3.84	2.04
<b>Diluted</b>		
Profit / (Loss) for the year as per statement of Profit and Loss ( ₹ in Lakhs)	1,488.15	749.67
Less : Employee Stock Option amortised cost	-	-
	1,488.15	749.67
Weighted average number of equity shares (In Lakhs)	389.63	375.93
Earnings /(Loss) per share	3.82	1.99
Nominal value of an equity share	10	10

The Company has converted 10 lakh convertible share warrants into equity shares which has been considered for calculating diluted earning per share.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 43 : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to MSME suppliers as on	754.11	164.90
Interest due on unpaid principal amount to MSME suppliers as on	12.56	18.53
The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	850.63	368.97
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	26.81	-
The amount of interest accrued and remaining unpaid at the end of accounting year	39.37	34.46
The amount of interest due and payable to be disallowed under Income Tax Act, 1961	39.37	18.53

Note :- Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## Note 44 : Income Tax & Deferred Tax

### A. Income Tax

The Company does not have taxable income on current and previous year and hence no tax expenses have been recognised. Further since it is not probable that future taxable amounts will be available to utilize the deferred tax assets in respect of following unused tax losses and unabsorbed depreciation, no deferred tax assets have been recognised except for tax paid under Minimum Alternate Tax (MAT) under Income Tax Act 1961.

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unused Tax losses for which no deferred tax asset has been recognised		
Business Losses	16,626.46	19,644.85
Unabsorbed depreciation	12,137.08	12,398.15
Potential tax benefit	7,478.52	8,064.58

- Unused tax losses with respect to unabsorbed depreciation do not have an expiry date.
- Unused tax losses with respect to Business losses have following expiry date.

Financial Year	₹ in Lakhs	
	Amount	Expiry Date
2015-16	1,492.98	March 31, 2024
2016-17	5,273.54	March 31, 2025
2017-18	4,916.76	March 31, 2026
2019-20	3,460.00	March 31, 2028
2020-21	1,483.18	March 31, 2029
<b>Total</b>	<b>16,626.46</b>	

## Notes forming part of Standalone Financial Statements as at March 31, 2023

- c) The Company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet

Financial Year	Amount	₹ in Lakhs
		Expiry Date
2009-10	63.74	2024-25
2010-11	47.20	2025-26
2011-12	477.19	2026-27
2012-13	750.74	2027-28
<b>Total</b>	<b>1,338.87</b>	

- d) Reconciliation of effective tax rate and tax expenses with accounting profit.

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before income tax	1,488.15	749.67
Tax Rate @ 26% (FY 2020-21 @ 26%)	386.92	194.91
Tax effect of amounts which are not deductible / taxable in calculating taxable income		
Unrecognised deffered tax asset	(386.92)	(194.91)
Tax Expenses	-	-

### B. Deferred Tax

Deferred Tax assets (other than MAT credit) reflected in the Balance Sheet as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Deferred Tax Asset		
Carry forward losses	1,283.19	1,201.21
	<b>1,283.19</b>	<b>1,201.21</b>
Deferred Tax Liability		
Depreciation	1,283.19	1,201.21
	<b>1,283.19</b>	<b>1,201.21</b>
Total Deferred Tax Liability (Net)	-	-

### Note 45 : Employee Benefits

Compensated absences:- The leave obligation covers the Group's liability for earned leave. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as current employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

#### Defined benefit plans

The Company offers the following employee benefit schemes to its employees:



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Gratuity

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 salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and 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.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	₹ in Lakhs		
	Present value of obligation	Fair Value of plan assets	Net Amount
<b>April 01, 2021</b>	446.80	4.95	441.85
Current Service Cost	55.12	-	55.12
Past service cost	-	-	-
Mortality Charges & Taxes	-	(2.47)	2.47
Interest Expense/(income)	30.21	0.31	29.90
<b>Total amount recognised in profit or loss</b>	<b>85.33</b>	<b>(2.16)</b>	<b>87.50</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.07	(0.07)
(Gain)/loss from change in demographic assumptions	-		
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	(44.33)	-	(44.33)
<b>Total amount recognised in other comprehensive income</b>	<b>(44.33)</b>	<b>0.07</b>	<b>(44.40)</b>
Employer contributions		17.00	(17.00)
Benefit Payments	(18.00)	(18.00)	-
<b>March 31, 2022</b>	<b>469.80</b>	<b>1.86</b>	<b>467.94</b>

	₹ in Lakhs		
	Present value of obligation	Fair Value of plan assets	Net Amount
<b>April 01, 2022</b>	469.80	1.86	467.94
Current Service Cost	59.04	-	59.04
Past service cost	-	-	-
Mortality Charges & Taxes	-	(2.42)	2.42
Interest Expense/(income)	31.36	1.18	30.18
<b>Total amount recognised in profit or loss</b>	<b>90.40</b>	<b>(1.24)</b>	<b>91.64</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest	-	0.42	(0.42)

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

	₹ in Lakhs		
	Present value of obligation	Fair Value of plan assets	Net Amount
expense/(income)			
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	10.89	-	10.89
Total amount recognised in other comprehensive income	<b>10.89</b>	<b>0.42</b>	<b>10.47</b>
Employer contributions		44.31	(44.31)
Benefit Payments	(15.64)	(15.64)	-
<b>March 31, 2023</b>	<b>555.46</b>	<b>29.72</b>	<b>525.74</b>

The net liability disclosed above relates to funded and unfunded plans as follows:

	₹ in Lakhs	
	March 31, 2023	March 31, 2022
Present Value of funded obligations	555.46	469.80
Fair value of plan assets	29.72	1.86
<b>Deficit of funded plan</b>	<b>525.74</b>	<b>467.94</b>
Unfunded Plans	-	-
Deficit of gratuity plan	525.74	467.94

**Valuation in respect of Gratuity has been carried out by Independent actuary, as at the Balance Sheet date, based on the following assumptions:**

	₹ in Lakhs	
Particulars	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
Discount rate (Per Annum)	7.50%	7.30%
Expected rate of return on plan assets (Per Annum)	7.30%	6.90%
Rate of escalation in salary (Per Annum)	8.00%	8.00%
Mortality Table referred	IALM(2012-14) ult	IALM(2012-14) ult
Age Withdrawal Rate %	2%	2%
Expected average remaining working lives of employees (in years)	15.26	15.30

### Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present Value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

The sensitivity of the Present Value of obligation to changes in the weighted principal assumptions is as follows:

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Change in assumptions and impact on Present Value of obligation as at March 31, 2023

₹ in Lakhs

Particulars	Change in assumption (in %)	Impact on defined benefit obligation (in %)	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(28.15)	97.98
Salary growth rate	1%	89.99	(22.98)
Withdrawal Rate	1%	27.57	32.14

## Comparative Figures

### Change in assumptions and impact on Present Value of obligation as at March 31, 2022

₹ in Lakhs

Particulars	Change in assumption (in %)	Impact on defined benefit obligation (in %)	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(51.47)	65.16
Salary growth rate	1%	58.76	(47.75)
Withdrawal Rate	1%	(1.19)	5.31

The above sensitivity analysis are 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 while calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

## Category of Planned assets

₹ in Lakhs

	March 31, 2023	March 31, 2022
Funds Managed by insurer	100.00%	100.00%

The company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2023 is considered to be fair value.

## Defined Benefit liability and employer contributions

The expected contributions to post-employment benefit plans for the year ended March 31, 2023 is ₹525.74 Lakhs

## The following payments are expected contributions to defined benefit plan in future years

The weighted average duration of the plan is 16 years

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Expected Future Benefit Payments:

	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Defined Benefit Oligation		
Less than a year	49.05	18.77
Between 1-2 years	24.74	22.51
Between 2-5 years	79.11	78.28
Over 5 years	370.28	284.84
<b>Total</b>	<b>523.18</b>	<b>404.40</b>

## Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

1. **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.

2. **Salary inflation risk:**

Higher than expected increases in salary will increase the defined benefit obligation.

3. **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.

4. **Asset-Liability Mismatch Risk:**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is success fully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

5. **Discount Rate Risk:**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

6. **Future Salary Escalation and Inflation Risk :**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## 7. Asset Risks:

All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years.

The company has opted for a traditional fund where in all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

## B) Defined Contribution Plan

The company has certain defined contribution plans. Contributions are made to provident fund in India at the rate of 12% as per local regulations. The contributions are made to the provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual or any constructive obligation. The company also has liability to contribute to other defined contribution plans. The company has recognised the following amounts in the statement of Profit and Loss.

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Contribution to Provident Fund	133.14	115.44
Contribution to Labour Welfare Fund	0.45	0.35
Contribution to Employee's State Insurance Scheme	40.62	36.65

## Note 46 : Assets Pledged as Security

Particulars	₹ in Lakhs	
	31 March 2023	31 March 2022
<b>Current</b>		
<b>Financial Assets</b>		
Factored Receivables	4,147.18	8,127.45
Other Receivables	3,223.85	2,695.12
Cash and cash equivalents	2.59	4.23
Fixed deposit with bank	441.49	457.09
<b>Non Financial Assets</b>		
Inventories	4,914.40	4,949.01
<b>Total Current assets pledged as security</b>	<b>12,729.51</b>	<b>16,232.90</b>
<b>Non-Current</b>		
Plant and Machinery	4,799.48	5,376.04
Building	4,393.53	4,869.48
Land	443.77	756.17
Others Assets	568.29	230.72
<b>Total Non-current assets pledged as security</b>	<b>10,205.07</b>	<b>11,232.40</b>
<b>Total Assets pledged as security</b>	<b>22,934.59</b>	<b>27,465.30</b>

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note : 47

The Company has borrowings from Bank of Baroda on the basis of security of current assets. Details of The Quarterly Returns and statements of current assets filed by the Company with Bank of Baroda with the books of accounts are as follows.

**Name of the Bank : Bank of Baroda**

Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	₹ in Lakhs
			Amount of difference
<b>As on 30-06-2022</b>			
Inventories	5,275.78	4,683.00	(592.78)
Book Debts	2,671.54	2,540.00	(131.54)
Creditors	6,375.53	3,667.00	(2,708.53)
<b>As on 30-09-2022</b>			
Inventories	5,123.91	5,045.00	(78.91)
Book Debts	2,567.82	1,723.00	(844.82)
Creditors	6,482.27	3,612.00	(2,870.27)
<b>As on 31-12-2022</b>			
Inventories	5,416.21	5,386.00	(30.21)
Book Debts	2,776.34	1,586.00	(1,190.34)
Creditors	6,929.12	4,458.00	(2,471.12)
<b>As on 31-03-2023</b>			
Inventories	4,914.40	4,791.00	(123.40)
Book Debts	2,702.00	2,153.00	(549.00)
Creditors	7,314.24	4,564.00	(2,750.24)

### Reasons for material discrepancies :

1. Inventories : Difference in Inventory is mainly due to change in inventory maintained with job process work.
2. Book Debts : Book Debts were differed due to sales provision for rate revision effected by customers.
3. Creditors : In stock statements sundry creditors w.r.t. raw material and bought out components were considered

## Note 48 : COVID19

Covid-19 virus has impacted the entire global economy severely, resulting into many restrictions, including free movement of people, thereby hampering businesses and day to day functioning of the Companies. Consequently, in compliance of the orders of the Government, the Company's manufacturing plants and corporate office had to be closed for a certain period of time. The Board of Directors believe that they have taken into account all the possible effects of known events arising from Covid-19 pandemic and the resultant lockdowns in the preparation of financial statements including but not limited to strategic assessment of its financial position, liquidity, going concern, recoverable values of its assets etc. However, given the effect of these uncertainties arising due to Covid-19 and in particular, with reference to the Automobile & Auto-ancillary Industry, the impact assessment of Covid-19 on the financial statements is subject to certain significant estimations and based on uncertainties. The actual impact in future may deviate from those estimated as on the date of approval of these financial statements. The Company continues to monitor any material changes to future economic/ business conditions and its consequential impact on financial results.



# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 49 : Code on Social Security, 2020

The Parliament of India has approved the Code on Social Security, 2020 which may have an impact on the contributions by the Company on Employee benefit expenses, Provident Fund, Insurance and Gratuity. Further, the Ministry of Labour and Employment, Government of India has published draft rules for the Code on Social Security, 2020 on November 13, 2020 and has solicited comments/ suggestions from the stakeholders. Accordingly, the Company will evaluate the impact of the said legislation and the Rules notified thereunder, and would eventually apportion the impact in its financial statements in the period in which the Code on Social Security, 2020 is enacted.

## Note : 50 Ratios

The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows:

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)	Reason
Current Ratio	Total current assets	Total current liabilities	0.57	0.56	2.31	Current ratio has improved as compared to previous year, mainly due to increase in receivables consequent to increase in volume.
Debt - Equity Ratio	Total debts	Shareholders equity	2.75	5.40	(49.08)	Debt equity ratio has improved due to increase in total equity on account of equity issue and current year profits.
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	1.35	0.57	134.54	Lesser repayment of long term debt in current year as compare to last year.
Return on Equity Ratio	Net profits after taxes	Average shareholders equity	0.28	0.30	(6.16)	Company has posted a net profit of ₹14.88 crore in current year as compared to net profit of ₹7.5 crore in previous year & equity warrant conversion resulting into decrease in ROE.
Inventory Turnover Ratio	Cost of goods sold	Average inventory	9.87	8.86	11.42	Average inventory has increased as compare to last year, higher consumption of materials has led to increase in turnover.
Trade Receivables Turnover Ratio	Net credit sales	Average trade receivables	7.11	7.56	(6.01)	Increase in revenue vis-à-vis average receivables resulted into decrease in ratio.
Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	7.25	6.30	15.09	Payables has increased as compare to last year, higher consumption of materials has led to increase in Purchase cost.
Net Capital Turnover Ratio	Net sales	Average working Capital	(5.09)	(3.74)	36.28	Sales turnover has increased by 14% YoY, however net working capital remains negative.
Net Profit Ratio	Net profit	Net sales	0.02	0.01	73.88	Company has a net profit of ₹14.88 crore in current year as compared to ₹7.5 crore in previous year.

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)	Reason
Return on Capital Employed	Earnings before interest and taxes	Capital employed	0.10	0.10	0.49	EBIT has decreased by almost 12% YoY & repayment of loan resulting into favourable ratio.
Return on Investment *	Income from invested funds	Weighted average invested funds	0.00	0.00	0.70	-

## Note : 51 Other Disclosures

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

The Company has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

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 or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in parties identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

# Notes forming part of Standalone Financial Statements

as at March 31, 2023

## Note 52 : Loans and Advances granted to specified person

### (A) Loans / Advance in the nature of loan - repayable on demand

₹ in Lakhs

Type of Borrowers	As on March 31, 2023		As on March 31, 2022	
	Amount outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties- subsidiaries				
Autoline Industrial Parks Limited	298.76	23.42	246.03	47.34
Autoline Design Software Limited	415.71	32.58	273.51	52.63
Autoline E-Mobility Private Limited	561.37	44.00	-	-
Autoline Locomotive Parts LLP	-	-	0.15	0.03
<b>Total</b>	<b>1,275.84</b>	<b>100</b>	<b>519.70</b>	<b>100</b>

### (B) Loans / Advance in the nature of loan - without specifying any terms or period of repayment

₹ in Lakhs

Type of Borrowers	As on March 31, 2023		As on March 31, 2022	
	Amount outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan	Amount outstanding - Gross Carrying Amount	% of Total Loan and Advance in the Nature of Loan
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note : 53

The figures for the corresponding period / year have been regrouped and rearranged wherever necessary to make them comparable.

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259

# Independent Auditor's Report

**To the Members of AUTOLINE INDUSTRIES LIMITED**  
**Report on the Audit of the Consolidated Financial Statements**

## Opinion

We have audited the accompanying Consolidated Financial Statements of **AUTOLINE INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes the Group's share of profit/ (loss) in its associates, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity, for the year then ended, and notes to Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including an Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, of Consolidated State of Affairs (financial position) of the Group including its associates as at March 31, 2023, the Consolidated Profit (financial performance including other comprehensive income), its

Consolidated Cash Flows and the Consolidated Changes in Equity for the year then ended.

## Basis for opinion

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

## Key Audit Matters

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

S. No.	Key Audit Matter (KAM)	Auditor's Response
1	<p><b>Revenue Recognition:</b></p> <p>The revenue of Group and including its associates is derived from the sale of sheet metal stampings, welded assemblies, and moulds for the automotive industry. The Group and including its associates recognize revenue when the control is transferred to the customer.</p> <p>The terms set out in the Company's sales contracts relating to goods acceptance by customers are varied. Accordingly, the terms and conditions of sales contracts may affect the timing of recognition of sales to customers as each sales contract could have different terms relating to customer acceptance of the goods sold.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>assessed the design and operating effectiveness of the Company's controls around revenue recognition and measurement</li> <li>assessed the appropriateness of the Company's identification of performance obligations in its contracts with customers, its determination of transaction price, including allocation thereof to performance obligations and accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115</li> <li>scrutinized sales ledgers to verify the accuracy and completeness of sales transactions</li> </ul>

S. No.	Key Audit Matter (KAM)	Auditor's Response
	<p>We identified the recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Group and including its associates and is, therefore, subject to an inherent risk of misstatement to meet targets or expectations and because errors in the recognition of revenue could have a material impact on the Group and including its associates.</p>	<ul style="list-style-type: none"> <li>• on a sample basis, tested the revenue recognised including testing of cut off assertion as at the year end</li> <li>• assessed the revenue recognised with substantive analytical procedures including review of price, quantity and product mix variances and analysis of discounts at the customer level</li> <li>• circularized balance confirmations to a sample of customers and evaluated the responses</li> <li>• Assessed the disclosures made by the Company.</li> </ul>
2	<p><b>Going Concern:</b></p> <p>As of 31 March 2023, the Group including its associate's total liabilities did not exceed its total assets, however, the holding company is continuously incurring losses over the past year, for the year ending March 31, 2023, it has earned profits. Note 3.5 to the financial statements explains how the directors of the holding company have formed a judgement that the going concern basis is appropriate in preparing the financial statements.</p> <p>The directors of the Group including its associates made their assessment of going concern by preparing a cash flow forecast in which some key assumptions were applied.</p> <p>These key assumptions included forecasts of sales volumes, average selling prices, raw material costs and the availability of banking and other financing facilities as well as financial support from the Promoters.</p> <p>We identified going concern as a key audit matter due to the significant degree of management judgement required in assessing and forecasting the Group and including its associates future cash flows, which are inherently uncertain. Furthermore, management judgement and uncertainties could have a significant impact on the preparation of financial statements and may be subject to management bias.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding &amp; walking through the business planning process and assessing the design, implementation, and operating effectiveness of management's key internal controls over the assessment of going concern, including the preparation of cash flow forecasts &amp; liquidity assessment.</li> <li>• We assessed the accuracy of management's cash flow forecasts by analyzing the key assumptions used, such as future revenue, gross profit, operating expenses, and capital expenditure with reference to historical production data, current performance, internal investment and production plans, as well as external market information.</li> <li>• Considering the accuracy and reliability of cash flow forecasts made by management in prior years by comparing them with the current year's results.</li> <li>• We evaluated the availability of banking and financing facilities by examining relevant documentation, including banking facility agreements signed before and after the reporting period. Additionally, We assessed the impact of any covenants and restrictive terms contained within these agreements.</li> <li>• We also verified whether any waivers were obtained from the financial institutions from which borrowings were made.</li> <li>• Assessed the disclosures made by the Company in this regard.</li> </ul> <p>Based on our procedures we noted that the key assumptions used in the forecasts were within a reasonable range of our expectations.</p>

S. No.	Key Audit Matter (KAM)	Auditor's Response
3	<p><b>Contingent Liabilities:</b></p> <p><b>Evaluation of uncertain tax positions</b> (Refer to Note 40 to the Consolidated financial statements)</p> <p>The Group and including its associates are currently involved in assessment proceedings and related litigations with direct and indirect tax authorities, as well as certain other parties. Estimating the probable outflow of economic resources and determining the appropriate level of provisioning and/or disclosures required involves a high level of management judgement. The management's judgement is supported by advice from independent tax and legal consultants, as deemed necessary. Any unexpected adverse outcomes could have a significant impact on the company's reported profit and financial position.</p> <p>We identified this area as a key audit matter due to the uncertainty of the final result and the significant management judgement in assessment.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>• We gained an understanding of how to identify claims, litigations, and contingent liabilities. We identified key controls in the process and performed tests on selected controls.</li> <li>• We obtained a summary of the company's legal and tax cases and assessed management's position by discussing the probability of success in significant cases and the potential magnitude of any loss with the Legal Counsel, Head of Tax, and operational management.</li> <li>• The current status of direct and indirect tax assessments/litigations was reviewed.</li> <li>• Recent orders and communication received from tax authorities and certain other parties were read, along with management responses to such communication.</li> <li>• When relevant, we read the most recent independent tax/legal advice obtained by management and evaluated the grounds presented therein.</li> <li>• The adequacy of disclosure in the standalone financial statements was assessed.</li> </ul> <p>Based on the above procedures, we did not identify any material exceptions relating to management's assessment of provisions and contingent liabilities.</p>

**Information other than the Consolidated Financial Statements and Auditor's Report thereon (hereinafter referred to as "other information")**

The Holding Company's Management and Board of Directors are responsible for the preparation of other information. The other information comprises the Board's report and management discussion and analysis included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information,

we are required to report that fact. We have nothing to report in this regard.

**Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding 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 and presentation of these Consolidated Financial Statements in terms of the requirements of the Act, that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Cash Flows and Consolidated Statement of Changes in Equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective management and Board of Directors of the companies included its associates in the Consolidated Financial Statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 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 / Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group including its associates are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concerned and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group including its associates are responsible for overseeing the financial reporting process of each Company.

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

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

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

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

- B. 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 an adequate internal financial controls system in place and the operating effectiveness of such controls
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting in the preparation of Consolidated Financial Statement and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to our auditor's report date. However, future events or conditions may cause the Group including its associates to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group including its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in the 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) evaluating the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Other Matters

- A. Two foreign associates & one foreign subsidiary are non-operative entities and their financial information as of March 31, 2023 is unaudited. The financial information is certified by the Holding Company's management in whose opinion the same is not material to the group.
- B. The consolidated financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor and had issued an unmodified opinion vide report dated May 28, 2022.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above other matters with respect to our reliance on work done and the financial statements certified by the management.

### 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 in terms of Section 143 (11) of the Act, we give in "**Annexure A**", a statement on the matters specified

in paragraphs 3 and 4 of the Order with respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act.

2. As required by section 143 (3) of the Act, based on our audit and as mentioned in the 'Other Matters' paragraph above, we report, to the extent applicable, that:
  - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - B. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
  - C. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - D. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under section 133 of the Act.
  - E. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the subsidiary companies, associates which are companies incorporated in India, are disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
  - F. With respect to the adequacy of internal financial controls over the financial reporting of the Group including its associates which are companies incorporated in India 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 internal financial control over financial reporting.

- G. With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2023 on the Consolidated Financial position of the Group including its associates (refer note 40 to the Consolidated Financial Statements);
  - ii. the Group including associates has made provision, as required under the applicable law or Ind AS, material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Group including its associates, which are companies incorporated in India.
  - iv. (a) The management of the Group including associates companies incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies 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 Holding Company or its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management of the Group including associates companies incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, 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. During the year Group including associates Company has not declared / paid any dividend hence reporting under rule 11 (f) is not applicable to that extent.
  - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

H. 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, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group including associates, which are companies incorporated in India, where applicable, to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to the director by the Holding Company and its subsidiary companies incorporated in India, where applicable, is not in excess of the limit laid down under Section 197 of the Act, except in the case of a Holding company,

where requisite approvals are taken in the general meeting. The Ministry of corporate affairs has not prescribed other details under section 197(16) which are required to comment upon by us.

**SHARP & TANNAN ASSOCIATES**  
Chartered Accountants  
Firm's Registration No.: 0109983W  
by the hand of

**CA Arnob Choudhuri**  
Partner  
Membership No.: (F) 156378  
**UDIN: 23156378BGXJCX8831**

Pune, May 18, 2023

## Annexure A to the independent auditor's report on the Consolidated Financial Statements of AUTOLINE INDUSTRIES LIMITED for the year ended 31st March, 2023

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

In our opinion and according to the information and explanations given to us, the following companies incorporated in India and included in the Consolidated Financial Statements, have unfavourable remarks, qualifications or adverse remarks given by us & other auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entity	CIN	Holding Company / subsidiary	Clause number of the CARO report
1.	Autoline Industries Limited	L34300PN1996PLC104510	Holding Company	Clause (i) (c) Clause (ii) (b) Clause (iii) Clause (vii) Clause (ix) (a)
2.	Autoline Industrial Parks Limited	U45209PN2007PLC130639	Subsidiary Company	Clause (iii) Clause (vii) Clause (xvii)
3.	Autoline Design Software Limited	U72200PN2004PLC148734	Subsidiary Company	Clause (iii) Clause (vii)
4.	Autoline E-Mobility Private Limited	U29200PN2022PTC209074	Subsidiary Company	Clause (vii)

**SHARP & TANNAN ASSOCIATES**  
Chartered Accountants  
Firm's Registration No.: 0109983W  
by the hand of

**CA Arnob Choudhuri**

Partner

Membership No.: (F) 156378

**UDIN: 23156378BGXJXC8831**

Pune, May 18, 2023

## Annexure B to the independent auditor's report on the Consolidated Financial Statements of AUTOLINE INDUSTRIES LIMITED for the year ended 31st March, 2023

(Referred to in paragraph (F) under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date)

### Report on the Internal Financial Controls Over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

#### Opinion

We have audited the Internal Financial Controls Over Financial Reporting of AUTOLINE INDUSTRIES LIMITED (hereinafter referred as "the Holding Company"), including its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), including its associates, which are companies incorporated in India, as of March 31, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and as mentioned in other matters paragraph below, the Group including its associates, which are companies incorporated in India, have, 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, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

#### Board of Directors' Responsibility for Internal Financial Controls

The respective Company's Management and Board of Directors of the Group and including its associates, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 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.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Group's including its associates, which are companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, associates, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's including its associates which are companies incorporated in India, 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 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: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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.

#### **SHARP & TANNAN ASSOCIATES**

Chartered Accountants  
Firm's Registration No.: 0109983W  
by the hand of

#### **CA Arnob Choudhuri**

Partner  
Membership No.: (F) 156378  
**UDIN: 23156378BGXJCX8831**

Pune, May 18, 2023

# Consolidated Balance Sheet

At at March 31, 2023

Particulars	Note No.	₹ in Lakhs	
		As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	4.1	9,611.32	10,314.93
(b) Capital work in progress	4.2	387.53	125.97
(c) Other Intangible assets	4.3	51.94	4.02
(d) Intangible assets under development	4.4	680.37	269.29
(e) Right of use Assets	4.5	443.77	306.16
(f) Goodwill on consolidation		4,013.15	4,380.58
(g) Financial Assets			
(i) Investments	5	10.00	25.90
(ii) Other financial assets	6	366.08	351.68
(h) Income tax assets (net)	7	339.48	473.97
(i) Deferred tax assets (incl., MAT Credit)	8	1,373.63	1,341.07
(j) Other Non-current assets	9	832.67	1,204.21
<b>Total non-current assets</b>		<b>18,109.94</b>	<b>18,797.78</b>
<b>2 Current assets</b>			
(a) Inventories	10	16,303.14	16,223.22
(b) Financial Assets			
(i) Trade Receivables	11	7,553.05	11,065.66
(ii) Cash and cash equivalents	12	8.09	7.29
(iii) Bank balances other than (ii) above	13	441.49	457.23
(iv) Loans and advances	14	24.12	44.58
(v) Other Financial assets	15	32.23	65.17
(c) Other current assets	16	1,451.67	1,414.92
(d) Assets held for Sale	16a	-	633.29
<b>Total current assets</b>		<b>25,813.79</b>	<b>29,911.36</b>
<b>Total Assets</b>		<b>43,923.73</b>	<b>48,709.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	17	3,896.32	3,796.32
(b) Other Equity	18	3,605.66	2,267.79
(c) Non-controlling Interest		6,424.00	6,482.91
<b>Total Equity</b>		<b>13,925.98</b>	<b>12,547.02</b>
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	3,146.48	2,778.39
(ii) Lease liabilities	20	232.83	124.59
(b) Provisions	21	119.60	103.75
(c) Deferred tax liabilities (net)		-	-
<b>Total non-current liabilities</b>		<b>3,498.91</b>	<b>3,006.73</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	13,872.71	20,761.22
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	23	755.14	164.90
(b) total outstanding dues of Creditors other than micro and small enterprises	23	6,640.87	6,006.48
(iii) Other financial liabilities	24	1,965.38	2,562.83
(iv) Lease liabilities	24	67.51	24.17
(b) Other current liabilities	25	2,656.55	3,160.39
(c) Provisions	26	540.68	475.40
<b>Total current liabilities</b>		<b>26,498.84</b>	<b>33,155.39</b>
<b>Total Liabilities</b>		<b>29,997.75</b>	<b>36,162.12</b>
<b>Total Equity &amp; Liabilities</b>		<b>43,923.73</b>	<b>48,709.14</b>
Significant Accounting Policies	1-3		
See accompanying notes to financial statements	4-54		

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W  
by the hand of

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259

# Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Revenue from operations	27	64,975.01	56,843.32
2 Other income	28	252.45	158.99
<b>3 Total income (1+2)</b>		<b>65,227.46</b>	<b>57,002.31</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	29.a	48,232.90	40,261.24
(b) (Increase) / Decrease in inventories of finished goods and work-in-progress	29.b	398.61	(366.02)
(c) Employee benefits expenses	30	3,730.46	3,222.10
(d) Finance costs	31	2,198.54	2,568.12
(e) Depreciation and amortisation expense	32	1,763.47	2,013.56
(f) Other expenses	33	8,757.02	9,097.11
<b>Total expenses</b>		<b>65,081.00</b>	<b>56,796.11</b>
<b>5 Profit / (Loss) before exceptional items and tax (3 - 4)</b>		<b>146.46</b>	<b>206.20</b>
6 Exceptional items	34	909.99	563.08
<b>7 Profit / (Loss) before tax (5 + 6)</b>		<b>1,056.45</b>	<b>769.28</b>
<b>8 Tax expense:</b>			
(a) Current tax expense for current year		35.50	-
(b) Deferred tax		(32.56)	-
		<b>2.94</b>	<b>-</b>
<b>9 Profit / (Loss) for the year (7 - 8)</b>		<b>1,053.51</b>	<b>769.28</b>
<b>10 Other Comprehensive Income (OCI)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment benefit obligations-(loss)/ gains		(11.85)	47.68
Income Tax relating to this item		-	-
<b>Other Comprehensive Income for the year, net of tax</b>		<b>(11.85)</b>	<b>47.68</b>
<b>11 Total Comprehensive Income / (Loss) for the period (9+10)</b>		<b>1,041.66</b>	<b>816.96</b>
<b>12 Minority Interest</b>		<b>(58.56)</b>	<b>(37.99)</b>
<b>13 Profit / (Loss) After Minority Interest</b>		<b>1,100.23</b>	<b>854.95</b>
<b>14 Earnings/(Loss) per share (face value of ₹ 10/- each):</b>	42		
(a) Basic		2.72	2.09
(b) Diluted		2.70	2.05
Significant Accounting Policies	1-3		
See accompanying notes to financial statements	4-54		

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W  
by the hand of

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259

# Consolidated Statement of Cash Flow

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash Flow from Operating Activities</b>		
Profit / (Loss) before tax	1,056.45	769.26
Adjustment for :		
Depreciation	1,763.47	2,013.56
Interest Paid & Finance Cost	1,924.39	2,224.09
Loss/(Profit) on Sale of Property, Plant & Equipment	(1,282.52)	(8.01)
Loss on Impairment of Investment	383.33	-
Loss /(Profit) on Sale of Investment	-	(463.08)
Liabilities written back	-	(10.23)
Dividend Income	(0.35)	-
Interest Income on deposits	(107.27)	(102.61)
Effects of consolidation	(0.19)	-
Forfeiture of advance	-	(100.00)
<b>Operating Profit before Working Capital Changes</b>	<b>3,737.31</b>	<b>4,322.98</b>
<b>Adjustment for changes in operating assets</b>		
(Increase) / Decrease in Inventories	(79.92)	(947.54)
(Increase) / Decrease in Trade Receivable	3,512.61	(6,598.39)
(Increase) / Decrease in Loans and Advances Current	38.44	50.74
(Increase) / Decrease in Other Financial Assets Current	32.95	(19.00)
(Increase) / Decrease in Other Current Assets	(36.74)	(484.49)
(Increase) / Decrease in Other Non Current Assets	(1.00)	-
(Increase) / Decrease in Other Financial Assets Non-Current	(46.96)	(12.20)
<b>Adjustment for changes in operating liabilities</b>		
Increase / (Decrease) in Trade Payables	1,224.62	(725.14)
Increase / (Decrease) in Other Financial Liabilities Current	(637.62)	(463.87)
Increase / (Decrease) in Other Current Liabilities	(303.84)	(370.27)
Increase / (Decrease) in Provision Current	53.43	75.00
Increase / (Decrease) in Provision Non-Current	15.85	4.28
<b>Cash Generated/(Used) from Operations</b>	<b>7,509.13</b>	<b>(5,167.90)</b>
Income tax refund received (net of payments)	131.55	(100.75)
<b>Net Cash Generated/(Used) from Operating Activities</b>	<b>7,640.68</b>	<b>(5,268.65)</b>
<b>B. Cash Flow from Investing Activities</b>		
Acquisition of Property, plant and equipment (including capital work in progress, capital advance)	(1,170.78)	(757.01)
Proceeds from Sale of Property, plant and equipment	1,965.14	1,005.39
Acquisition of Other Intangible assets (Net)	(691.40)	(241.56)
Repayment of Advance against Property, plant and equipment	-	(650.00)
Receipt of Advance against sales of Property, plant and equipment	-	200.00
Fixed Deposit with Banks	15.74	151.54
Proceeds from Sale of Investments	-	700.80

# Consolidated Statement of Cash Flow (contd.)

for the year ended March 31, 2023

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Dividend Income	0.35	-
Interest Income on deposits	107.27	102.61
<b>Net Cash Generated/(Used) from Investing Activities</b>	<b>226.32</b>	<b>511.77</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Short Term Borrowings (Net of repayment)	(5,710.98)	9,581.61
Repayment of Long Term Borrowings (Net of proceeds)	(809.45)	(5,693.61)
Interest Paid & Finance Cost	(1,884.22)	(2,177.39)
Payment of principal portion of lease liabilities	(44.09)	(34.66)
Received as government subsidy	263.04	-
Advance to others	(18.00)	-
Proceeds from Issue of Equity Shares	100.00	726.19
Premium on issue of equity share	237.50	2,225.06
Proceeds from Issue of share warrants	-	112.50
Proceeds from Share application money	-	-
Equity component of compound financial instruments	-	-
<b>Net Cash Generated/(Used) from Financing Activities</b>	<b>(7,866.21)</b>	<b>4,739.70</b>
Net Increase / (Decrease) in Cash & Cash Equivalent	0.80	(17.18)
Cash and cash equivalents at the beginning of the year	7.29	24.47
Cash and cash equivalents at the end of the year (Refer Note 12)	8.09	7.29
Net Increase / (Decrease) in Cash & Cash Equivalent	0.80	(17.18)

## Note

The above Cash flow Statement has been prepared under the "Indirect method" set out in Indian Accounting Standard- 7 on statement of Cash flows

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W  
by the hand of

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

## A. Equity share capital

Particulars	₹ in Lakhs	
		Amount
Balance as at April 01, 2021		3,096.32
Changes in equity share capital during the year		700.00
<b>Balance as at March 31, 2022</b>		<b>3,796.32</b>
Balance as at April 01, 2022		3,796.32
Changes in equity share capital during the year		100.00
<b>Balance as at March 31, 2023</b>		<b>3,896.32</b>

## B. Other Equity

Particulars	₹ in Lakhs							Money received against share warrants	Total
	Securities Premium Reserve	Revaluation Reserve	Reserves and Surplus		Other Comprehensive Income	Equity component of compound financial instruments			
			General Reserve	Retained Earnings					
<b>Balance as at April 01, 2021</b>	25,521.58	90.59	1,202.28	(27,778.51)	(8.96)	61.75	-	(911.26)	
Profit/(loss) for the year				807.20				807.20	
Other comprehensive income for the year					47.68			47.68	
Equity share premium received	2,211.67							2,211.67	
Warrants issued during the year							112.50	112.50	
<b>Balance as at March 31, 2022</b>	27,733.25	90.59	1,202.28	(26,971.30)	38.72	61.75	112.50	2,267.79	
<b>Balance as at April 01, 2022</b>	27,733.25	90.59	1,202.28	(26,971.30)	38.72	61.75	112.50	2,267.79	
Profit/(loss) for the year				1,112.07				1,112.07	
Impact of strike-off of subsidiary				0.15				0.15	
Other comprehensive income for the year					(11.85)			(11.85)	
Equity share premium received	350.00							350.00	
Warrants converted in equity shares during the year							(112.50)	(112.50)	
<b>Balance as at March 31, 2023</b>	28,083.25	90.59	1,202.28	(25,859.08)	26.87	61.75	-	3,605.66	

Summary of significant accounting policies Note 1 - 3

See accompanying notes to financial statements Note 4 - 54

The notes referred to above form integral part of financial statement

In terms of our report attached

For **Sharp & Tannan Associates**

Chartered Accountants

Firm Registration No.0109983W

by the hand of

**CA Arnob Choudhuri**

Partner

Mem. No.(F) 156378

Place : Pune

Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**

Managing Director

DIN:00006755

**Sudhir Mungase**

Whole Time Director

DIN:00006754

**Venugopal Rao Pendyala**

Chief Financial Officer

**Shilpa Walunj**

Company Secretary

Mem.No. A38259



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## 1 Group Overview

### General Information:

The Consolidated Financial Statements comprise Financial Statements of Autoline Industries Limited ('The Parent Company') and its subsidiaries (collectively, the Group) for the year ended March 31, 2023. Autoline Industries Limited ('The Parent Company') is a public company domiciled in India. The Group is engaged in the business of manufacturing sheet metal stampings, welded assemblies and modules for the automotive industry. Its shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) and has its Registered office at – Survey Nos. 313, 314, 320 to 323 Nanekarwadi, Chakan, Tal: Khed Dist. Pune - 410 501, Maharashtra, India.

The Board of Directors have authorized to issue these consolidated financial statements on 18th May 2023

## 2 Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated

### 2.1 Basis of preparation of financial statements

#### (i) Basis of preparation:

The consolidated financial statements of the Group 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) and presentation requirements of Division II of schedule III to the Companies Act, 2013.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

These consolidated financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

#### (ii) Basis of consolidation:

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries as at March 31, 2023 and March 31, 2022 respectively.

The consolidated Financial Statements of the Group represents consolidation of Company's Financial Statements with Subsidiary Companies namely Autoline Design Software Ltd., Autoline Industrial Parks Ltd., Koderat Investments Ltd. (Cyprus) and Autoline E-Mobility Pvt. Ltd. (Collectively referred to as 'the Group').

Name of the Entity	Relationship	Place of business / country of incorporation	Proportionate beneficial ownership interest/voting power
Autoline Design Software Ltd.	Subsidiary	India	100%
Autoline Industrial Parks Ltd.	Subsidiary	India	43.26%- Direct 1.52%- Indirect
Koderat Investments Ltd.	Subsidiary	Cyprus	100
Autoline E-Mobility Pvt Ltd.	Subsidiary	India	100%

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

(iii) **Consolidation procedure:**

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra- group transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in the statement of profit and loss
- Reclassifies the Holding Company's share of components previously recognised in OCI to the statement of profit and loss or retained earnings, as appropriate, as would be required

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

if the Group had directly disposed of the related assets or liabilities

## 2.2 Revenue recognition:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

### The group applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

### The Group generates revenue principally from –

#### Sale of goods:

The Group recognizes revenue when 'control' of the promised goods underlying the particular performance obligation is transferred to the customer in an amount that reflects the consideration it expects to receive in exchange for those goods. Control of products passes to the customers, at a point in time which is usually upon delivery of goods to the customer / carrier. Revenue is recognized at that point in time. Revenue excludes taxes collected from customers on behalf of the government.

For contracts that permit the customer to return an item, under Ind AS 115 revenue is recognized to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for expected returns, which are estimated based on the historical data. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered. In such circumstances, a refund liability, and a right to recover returned goods asset are recognized. The amount disclosed as revenue is net of Goods and Services Tax collected on behalf of third parties.

#### Sale of tools:

Tooling contracts are the fixed price contracts to build a specific tool (asset). Under these contracts a performance obligation is satisfied when control of such assets underlying the particular performance obligation is transferred to the customer. Hence, revenue from tooling contracts is recognized when such tools are transferred to the customers since the customer receives and consumes the benefits at the end of the contract.

Generally, the Group receives short-term tooling advances from its customers which are utilized for providing advance to supplier of the tool. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of any significant financing component.

#### Sale of Services:

In contracts involving the rendering of services, revenue is measured using the proportionate completion method and are recognized net of service tax or goods and service tax as applicable.

### Other Income

#### Interest:

Interest Income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

**Dividend income:** Dividend income is recognized when the Group's right to receive is established by the reporting date.

#### Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

# Notes forming part of Consolidated Financial Statements

## as at March 31, 2023

### 2.3 Current and Non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or Cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled in twelve months after the reporting period, or
- The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of the liability that could, at the option of the counterparty, results in its settlement by the issue of equity instruments do not affects its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its normal operating cycle.

### 2.4 Foreign currency transactions and translation:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are

presented in Indian rupees (INR), which is the Group's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing as at the respective dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date.

Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevalent, at the date of initial recognition (in case measured at historical cost) or at the date when the fair value is determined (in case measured at fair value).

Foreign exchange gain and losses resulting from the settlement of such transaction and from translation of monetary assets and liabilities denominated foreign currencies at year end exchange rates are generally recognized in profit and loss. Foreign exchange difference regarded as an adjustment to borrowing cost are presented in the statement of profit and loss, within finance costs.

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

#### Group companies

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions.

The exchange differences arising on translation on consolidation are recognized in OCI. On disposal of foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit or loss.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## 2.5 Fair Value Measurement

The Group measures financial instruments at fair value on initial recognition. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

### Determination of Fair value:

#### 1. Financial Assets- At Amortized cost

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.

#### 2. Financial Assets- At fair value through Profit and Loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

#### 3. Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest method (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss.

## 2.6 Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation less impairment loss, if any. Historical cost comprises of purchase price, including non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### Depreciation methods, estimated useful lives and residual value:

Depreciation is provided on a pro-rata basis on the straight line method over the estimated useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

### Asset Useful Life

Building – Factory	30 Years
Building - Office	60 Years
Plant and Machinery	15 Years(Single Shift basis)
Tools & Dies	15 Years (Single Shift basis)
Electrical Fittings	10 Years
Vehicles	8 Years
Computers	3 Years
Software	6 Years
Office Equipments	5 Years
Furniture & Fittings	10 Years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized as income or expense in the statement of profit and loss.

## 2.7 Intangible asset:

### Intangible assets acquired separately:

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets are amortized on a straight line basis over their estimated useful lives ranging from 3-5 years. The amortization period and amortization method are reviewed as at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

### Internally generated intangible asset

Research costs are charged to the statement of Profit and Loss in the year in which they are incurred.



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

Product development costs incurred on electric two-wheeler are recognized as intangible assets, when feasibility has been established, the Group has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Product development costs is amortized over the life of the related product, being a period of 24 months to 120 months. Product development expenditure is measured at cost less accumulated amortization and impairment, if any.

Amortization is not recorded on product in progress until development is complete.

## De-recognition of intangible assets

An item of intangible assets is derecognized on disposal or when fully amortized and no longer in use. Any gain or loss arising from de-recognition of an item of intangible assets is included in profit or loss

## 2.8 Non-current assets classified as held for sale/distribution to owners and discontinued operations

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 recognized for any subsequent increase in fair value less cost to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of sale of the non-current asset is recognized 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.

## 2.9 Borrowings:

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income / expenses.

## 2.10 Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

## 2.11 Leases

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether,

- (i) the contract involves the use of identified asset;
- (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of lease and
- (iii) the Group has right to direct the use of the asset

### Group as a lessee

The Group recognizes 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 direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced

by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the financial statements. (Refer Note 4.5)

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 interest rate implicit in the lease or, if that rate cannot be readily determined, Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease payments have been classified as financing activities in Statement of Cash Flow.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments less any lease incentives receivable;
- Variable lease payments that depend on a rate, initially measured using the rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option and.
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

The lease liability is measured at amortized cost using the effective interest method. If the rate cannot be determined readily, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- Makes adjustments specific to the lease e.g. term, country, currency and security

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability of each period.

## Group as a lessor

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor under operating lease as a result of the adoption of Ind AS 116.

## Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## 2.12 Inventories:

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials comprises

cost of purchases inward freight and other incidental expenses net of GST, wherever applicable. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on FIFO basis. Goods in transit is valued at cost incurred till date. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Tools and Dies under process have been valued on percentage completion based on estimated cost of production and development of respective tools and dies.

Scrap is valued at net realizable value.

## 2.13 Employee benefits:

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by the employees is recognized during the year when the employees render the service.

### (ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations**

The Group operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans

**(a) Defined benefit plans such as gratuity**

**Gratuity obligations:**

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated quarterly by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other

comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

**(b) Defined contribution plans such as provident fund.**

**Provident fund :**

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

**Employee State Insurance**

Contribution towards Employee State insurance for certain employees is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

**(iv) Other Long-term Employee Benefits:**

**Compensated Absences:**

The group provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Such benefits are provided based on the number of days of unutilized compensated absence on the basis of an independent actuarial valuation.

**2.14 Financial instruments:**

Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

or liabilities 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 profit or loss

## (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss) (FVTOCI /FVTPL), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition.

## (ii) Measurement

At initial recognition, the group measures a financial asset (unless it is a trade receivable without a significant financing component) or financial liability at its fair value plus or minus, in the case of a financial asset and financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Subsequent measurement of debt instruments depends on the Group's business models for managing the assets and the cash flow characteristics of the assets. There are three measurement categories into which the Group classifies its debt instruments:

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Equity instruments:

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities (that are not held for trading or not designated at fair value through profit or loss) 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 in the effective interest method. Effective interest method is a method of calculating 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, 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.

Financial liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange

component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

## (iii) Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

An impairment loss for financial assets is reversed if the reversal can be related objectively to an event occurring after the impairment loss has been recognized.

## (iv) Derecognition

### Derecognition of Financial Assets

#### A financial asset is derecognised only when

*\* The Group has transferred the rights to receive cash flows from the financial asset or*

*\* Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.*

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

For financial assets that are measured at FVTOCI, income by way of interest and dividend, provision for impairment and exchange difference, if any, (on debt instrument) are recognised in Profit or Loss and changes in fair value (other than on account of above income or expense) are recognised in Other Comprehensive Income and accumulated in Other equity. On disposal of debt instruments at FVTOCI,



# Notes forming part of Consolidated Financial Statements

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the cumulative gain or loss previously accumulated in Other equity is reclassified to Profit and Loss. In case of equity instruments at FVTOCI, such cumulative gain or loss is not reclassified to Profit and Loss on disposal of investments.

## Derecognition of Financial Liability

Financial liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and a recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss.

## 2.15 Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

## 2.16 Impairment of non-financial assets:

In accordance with Ind AS 36 on "Impairment of Assets" at the balance sheet date, non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of assessing impairment, 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. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down

to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

## 2.17 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.

## 2.18 Trade receivables:

1. Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business.
2. Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.
3. The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## 2.19 Trade and other payables:

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## 2.20 Earnings per share:

The Group reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share

### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss for the period attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year.

### (ii) Diluted earnings per share

Diluted earnings 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 except where the results are anti-dilutive.

## 2.21 Income tax:

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of

the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

## 2.22 Provisions:

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions for restructuring are recognized by the Group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Group will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current

# Notes forming part of Consolidated Financial Statements

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market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Group.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## 2.23 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

## 2.24 Government Grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan

is subsequently measured as per the accounting policy applicable to financial liabilities.

## 2.25 Derivatives:

The Group enters into certain derivative contracts to hedge risks which are not designated as Hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income / expenses.

## 2.26 Cash flow Statement:

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements, where by profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

## 2.27 Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Board's Report.

## 2.28 Exceptional Items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes to the financial statements.

## 2.29 Recent pronouncements

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now

# Notes forming part of Consolidated Financial Statements

## as at March 31, 2023

required to disclose material accounting policies rather than their significant accounting policies.

- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the group does not expect these amendments to have any significant impact on its standalone financial statements.

### 3 Significant accounting judgments, estimates and assumptions:

**3.1** The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures.

These judgments, estimates and assumptions are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below. These Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

#### 3.2 Significant Judgments:

##### Contingent liabilities:

The Group has received various orders and notices from tax and other judicial authorities in respect of direct taxes and indirect taxes. 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 Group 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.

#### 3.3 Classification of Leasehold Land:

The Group has entered into lease agreement for land at three of its facilities. The lease period is of around 85-95 years in respect of these premises and the agreements have renewal options. These lands are situated in industrial estates, where the land is generally transferred through lease contracts and the upfront lease payment amounts are significantly equal to the fair value of land. Accordingly, significant risk and rewards associated with the land are considered to be transferred to the lessee.

Based on these considerations and overall evaluation of the agreements with the lessor, the management believes that these lease contracts meet the conditions of finance lease.

#### 3.4 Determination of cash generating unit (CGU) for Impairment analysis

As part of its impairment assessment for non-financial assets (i.e. property, plant and equipment), the management needs to identify Cash Generating Units i.e. lowest group of assets that generate cash flows which are independent of those from other assets. Considering the nature of its assets, operations and administrative structure, the management has defined all assets put together as a single Cash Generating Unit.

#### 3.5 Going Concern assumptions:

The Group has earned profit (before exceptional item) of ₹146.45 lakhs (PY. ₹206.18 Lakhs) for the financial year ended 31 March 2023 and the Group's current liabilities exceeds its current assets by ₹ 685.06 Lakh (PY ₹3,244.03 Lakh) as at 31 March 2023.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

The Group's management has carried out an assessment of the Group's financial performance and expects the Group to achieve significant improvements in its financial performance with effect from financial year ending 31 March 2023 to enable it to continue its operations and to meet its liabilities as and when they fall due.

Various initiatives undertaken by the Group in relation to cost synergies, revenue management opportunities, enhanced ancillary revenues, sale of property, plant and Equipments and leasehold lands, sale of land available with subsidiary Group, rescheduling of loans will result in improvement in operating cash inflow in coming years. Further, continued thrust to improve operational efficiency and initiatives to raise funds are expected to result in sustainable cash flows

On the basis of the above assessment and considering the financial and other support from promoter directors, the Directors of the Group are of the opinion that the preparation of the financial statements of the Group on a going concern basis is appropriate which contemplates realization of assets and settlement of liabilities in the normal course of business.

### 3.6 Segment Reporting:

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.

The Group operates in the automotive segment. The automotive segment includes all activities relating to development, design, manufacture, assembly and sale of auto component parts from which the Group derives its revenues. The management considers that these business units have similar economic characteristics like the nature of the products and services, the nature of the production processes and nature of the regulatory environment etc.

Based on the management analysis, the Group has only one operating segment, so no separate segment report is given. The principal geographical areas in which the Group operates is India.

### Significant estimates and assumptions:

#### 3.7 Impairment of Property, plant and equipment: Key assumptions used:

The management has assessed current and forecasted financial performance of the Group and the current market value of the assets to determine whether carrying value of property, plant and equipment has suffered any impairment. Impairment assessment is based on estimates of future financial performance or opinions that may represent reasonable expectations at a particular point of time. Such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary and the variations may be material.

#### 3.8 Claims payables & receivable to customers:

Price increase or decrease due to change in major raw material cost, pending acknowledgement from major customers, is accrued on estimated basis. Also the Group has made accruals in respect of unsettled prices for some of its other material purchase contracts and bought out components. These accruals are made considering the past settlement arrangements with the vendors and customers respectively and the applicable metal prices from published sources. Actual results of these considerations may vary and the variations may be material.

Further, the management has assessed and believes that the timing of cash outflow pertaining to this accruals are uncertain and hence considered the same as payable on demand and classified under current liabilities.

#### 3.9 Defined benefit plan:

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate,



# Notes forming part of Consolidated Financial Statements

## as at March 31, 2023

future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 45.

### 3.10 Fair value measurement of unquoted financial instruments:

When fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair values is measured using valuation techniques including DCF method. The inputs to these models are taken from observable markets where possible, but where not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported value of financial instruments.

### 3.11 Impairment of financial assets:

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

### 3.12 Determination of lease term:

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not

exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The leases do not contain options which give a rise to a sole right to extend the lease.

### 3.13 Useful lives of property, plant and equipment, Investment property and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives and residual values of assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

### 3.14 Estimation of uncertainties relating to the global health pandemic from COVID-19:

Due to spread of COVID-19 pandemic the Group is monitoring the situation closely. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of group's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realizable values of other assets. However, given the effect of these on the overall economic activity and in particular on the automotive industry, the impact assessment of COVID-19 on the above mentioned Financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial results. The group will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 4 : Property, plant and equipment and others

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Carrying amounts of:</b>		
<b>Property, plant and equipment</b>		
Freehold Land	281.43	281.43
Factory Building	4,380.81	4,535.61
Office Building	12.72	12.98
Plant and Machinery	3,224.95	3,432.60
Tools and Dies	1,574.53	1,943.44
Computer & IT Assets	28.68	23.53
Electrical Fittings	90.23	63.12
Furniture and fixture	10.98	11.21
Vehicle	4.77	8.14
Office Equipment	2.22	2.87
<b>Total</b>	<b>9,611.32</b>	<b>10,314.93</b>
<b>Capital work-in-progress</b>	387.53	125.97
<b>Total</b>	<b>387.53</b>	<b>125.97</b>
<b>Other Intangible Assets</b>		
Computer Software	51.94	4.02
<b>Total</b>	<b>51.94</b>	<b>4.02</b>
<b>Intangible assets under development</b>	680.37	269.29
<b>Total</b>	<b>680.37</b>	<b>269.29</b>
<b>Right of Use Assets</b>		
Leasehold Land	162.34	162.35
Right of Use Assets	281.43	143.81
<b>Total</b>	<b>443.77</b>	<b>306.16</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 4.1 : Property, Plant and Equipment (PPE) as at March 31, 2023

₹ in Lakhs

	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
<b>Gross Carrying amount</b>											
Cost as at April 01, 2022	281.43	8,090.97	15.49	17,093.52	7,914.13	313.72	1,169.48	218.67	177.04	129.23	35,403.67
Additions		118.55		781.09	49.63	20.37	43.01	2.02		1.35	1,016.03
Disposal				232.34	-	-	-	54.15	-	-	286.49
Transfer to asset held for sale			-								-
Cost as at March 31, 2023	281.43	8,209.51	15.49	17,642.27	7,963.76	334.10	1,212.49	166.54	177.04	130.58	36,133.22
<b>Accumulated Depreciation</b>											
As at April 01, 2022		3,555.36	2.51	13,660.92	5,970.69	290.20	1,106.36	207.46	168.91	126.36	25,088.76
Depreciation for the year		273.35	0.26	962.77	418.54	15.22	15.91	2.25	3.36	2.01	1,693.66
Disposal				206.37				54.15	-	-	260.52
Transfer to asset held for sale			-								-
As at March 31, 2023		3,828.71	2.77	14,417.32	6,389.23	305.41	1,122.27	155.56	172.27	128.37	26,521.91
<b>Net Carrying amount</b>											
<b>As at March 31, 2023</b>	<b>281.43</b>	<b>4,380.81</b>	<b>12.72</b>	<b>3,224.95</b>	<b>1,574.53</b>	<b>28.68</b>	<b>90.23</b>	<b>10.98</b>	<b>4.77</b>	<b>2.21</b>	<b>9,611.32</b>

## Note 4.1 : Property, Plant and Equipment (PPE) as at March 31, 2022

₹ in Lakhs

	Freehold Land	Factory Building	Office Building	Plant and Machinery	Tools and Dies	Computer & IT Assets	Electrical Fittings	Furniture and fixture	Vehicle	Office Equipment	Total
<b>Gross Carrying amount</b>											
Cost as at April 01, 2021	281.43	8,609.62	15.49	16,921.72	7,626.27	294.10	1,143.76	216.55	187.50	137.61	35,434.05
Additions				267.90	287.86	19.63	25.72	5.43			606.54
Disposal				96.11	-	-	-	3.30	10.46	8.39	118.26
Transfer to asset held for sale		518.65									518.65
Cost as at March 31, 2022	281.43	8,090.97	15.49	17,093.52	7,914.13	313.72	1,169.48	218.67	177.04	129.23	35,403.69
<b>Accumulated Depreciation</b>											
As at April 01, 2021		3,466.12	2.25	12,509.82	5,569.39	281.21	1,082.69	207.71	175.24	131.91	23,426.34
Depreciation for the year		287.00	0.26	1,239.84	401.30	8.98	23.67	3.05	4.13	2.83	1,971.06
Disposal				88.73				3.30	10.46	8.39	110.88
Transfer to asset held for sale		197.76									197.76
As at March 31, 2022		3,555.36	2.51	13,660.92	5,970.69	290.20	1,106.36	207.46	168.91	126.36	25,088.76
<b>Net Carrying amount</b>											
<b>As at March 31, 2022</b>	<b>281.43</b>	<b>4,535.61</b>	<b>12.98</b>	<b>3,432.60</b>	<b>1,943.44</b>	<b>23.53</b>	<b>63.12</b>	<b>11.21</b>	<b>8.14</b>	<b>2.87</b>	<b>10,314.93</b>

1. For Property, plant and equipment pledge as securities refer note 48
2. For contractual commitments towards acquisition of property plant and equipment's refer note 41
3. There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of PPE
4. There is no restriction on the title of Property, Plant and Equipment.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 4.2 : Capital work in progress

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning	125.97	27.06
Additions	692.24	98.91
Capitalised during the year	430.68	-
Impairment	-	-
Balance at the end	387.53	125.97

Capital work-in-progress comprising construction of factory shed and plant & machinery.

### Capital work in progress aging schedule as at March 31, 2023

	Amount ₹ in Lakh for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	380.11	7.42	-	-	387.53
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>380.11</b>	<b>7.42</b>	<b>-</b>	<b>-</b>	<b>387.53</b>

### Capital work in progress aging schedule as at March 31, 2022

	Amount ₹ in Lakh for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	98.91	27.06	-	-	125.97
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>98.91</b>	<b>27.06</b>	<b>-</b>	<b>-</b>	<b>125.97</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 4.3 : Intangible Assets as at March 31, 2023

₹ in Lakhs

	Other Intangible assets				Total
	R & D Process Development	Computer Software	Other Intangible assets	Trade Mark	
<b>Gross Carrying amount</b>					
Cost as at April 01, 2022	1,941.34	806.04	399.00	0.21	3,146.59
Additions	-	59.67	-	-	59.67
Disposal/Transfer	-	-	-	-	-
Cost as at March 31, 2023	1,941.34	865.71	399.00	0.21	3,206.26
<b>Accumulated Depreciation</b>					
As at April 01, 2022	1,941.34	802.02	399.00	0.21	3,142.56
Depreciation for the year	-	11.76	-	-	11.76
Disposal/Transfer	-	-	-	-	-
As at March 31, 2023	1,941.34	813.77	399.00	0.21	3,154.32
<b>Net Carrying amount</b>					
<b>As at March 31, 2023</b>	-	<b>51.94</b>	-	-	<b>51.94</b>

## Note 4.3 : Intangible Assets as at March 31, 2022

₹ in Lakhs

	Other Intangible assets				Total
	R & D Process Development	Computer Software	Other Intangible assets	Trade Mark	
<b>Gross Carrying amount</b>					
Cost as at April 01, 2021	1,941.34	804.86	399.00	0.21	3,145.41
Additions	-	1.70	-	-	1.70
Disposal/Transfer	-	0.52	-	-	0.52
Cost as at March 31, 2022	1,941.34	806.04	399.00	0.21	3,146.59
<b>Accumulated Depreciation</b>					
As at April 01, 2021	1,941.34	799.35	399.00	0.21	3,139.90
Depreciation for the year	-	3.19	-	-	3.19
Disposal/Transfer	-	0.52	-	-	0.52
As at March 31, 2022	1,941.34	802.02	399.00	0.21	3,142.56
<b>Net Carrying amount</b>					
<b>As at March 31, 2022</b>	-	<b>4.02</b>	-	-	<b>4.02</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 4.4 : Intangible assets under development

₹ in Lakhs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Balance at the beginning	269.29	29.43
Additions	682.76	239.86
Capitalised	50.21	-
Transfer/Sales*	221.47	-
Balance at the end	<b>680.37</b>	<b>269.29</b>

\* Cost of E-scooter development activity is transferred to separate subsidiary company Autoline E-mobility Pvt Ltd for E-vehicle business segment.

Company has not identified any item where completion schedule of intangible assets under development or where cost or time overrun has exceeded original plan

₹ in Lakhs

Intangible assets under development aging schedule as at March 31, 2023	Amount ₹ In Lakh for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	680.37	-	-	-	680.37
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>680.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>680.37</b>

Intangible assets under development aging schedule as at March 31, 2022	Amount ₹ In Lakh for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	239.86	29.43	-	-	269.29
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>239.86</b>	<b>29.43</b>	<b>-</b>	<b>-</b>	<b>269.29</b>

## Note 4.5 : Right of Use Assets as at March 31, 2023

₹ in Lakhs

	Right of Use Assets		
	Leasehold Land	Right of Use Assets	Total
<b>Gross Carrying amount</b>			
Cost as at April 01, 2022	162.35	159.65	321.99
Additions	-	195.66	195.66
Disposal/Transfer	-	-	-
Cost as at March 31, 2023	162.35	355.31	517.66
<b>Accumulated Depreciation</b>			
As at April 01, 2022	-	15.83	15.83
Depreciation for the year	-	58.05	58.05
Disposal/Transfer	-	-	-
Transfer to asset held for sale	-	-	-
As at March 31, 2023	-	73.88	73.88
<b>Net Carrying amount</b>			
As at March 31, 2023	<b>162.35</b>	<b>281.43</b>	<b>443.77</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 4.5 : Right of Use Assets as at March 31, 2022

₹ in Lakhs

	Right of Use Assets		Total
	Leasehold Land	Right of Use Assets	
<b>Gross Carrying amount</b>			
Cost as at April 01, 2021	477.44	136.04	613.48
Additions	-	159.65	159.65
Disposal/Transfer	-	136.04	136.04
Transfer to asset held for sale	315.09	-	315.09
Cost as at March 31, 2022	162.35	159.65	321.99
<b>Accumulated Depreciation</b>			
As at April 01, 2021	2.70	75.01	77.71
Depreciation for the year	-	39.31	39.31
Disposal/Transfer		98.49	98.49
Transfer to asset held for sale	2.70	-	2.70
As at March 31, 2022	-	15.83	15.83
<b>Net Carrying amount</b>			
<b>As at March 31, 2022</b>	<b>162.35</b>	<b>143.81</b>	<b>306.16</b>

### Right of Use Assets as at March 31, 2023

- There are no future minimum lease payments in respect of these leasehold land. The lease terms generally expires within period of 85-95 years and as per the lease agreement, the lease term for the leasehold facility can be renewed for a further period of years subject to other terms and conditions and for other leasehold facility the renewal will be mutually.
- Impairment of Assets: There is no impairment of any assets in terms of Ind AS - 36 on "Impairment of Assets". Based on the review, the management is of the opinion that there are no impairment indicators that necessitate any adjustments to the carrying value of intangible assets
- There is no restriction on the title of intangible assets
- For Intangible Assets pledged as securities refer note 48
- Details of all the immovable properties whose title deeds are not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in Lakh)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter* / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company** (Whether any dispute)
Right of Use Assets	Khasra no. 423, SIDCUL, Plot no. 5, Pantnagar, Uttarakhand	22.86	Nirmiti Auto Components Pvt Ltd	No	27/03/2011	There is no dispute, however Lease Deed is held in the name of Nirmiti Auto Components Pvt. Ltd. which was amalgamated with the company & name change process with concerned authority is pending



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 5 : Investment others (non-current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Investment in equity Shares:</b>		
<b>Investment at Fair Value through Profit &amp; Loss</b>		
<b>Unquoted Equity Shares</b>		
Rupee Co-operative Bank Ltd.	5.00	5.00
20,000 equity shares of face value ₹10		
Less : Provision for Diminution in Value of Investments	(5.00)	(5.00)
NKGSB Co-operative Bank Ltd.	5.00	5.00
50,000 equity shares of face value ₹10		
Vidya Sahakari Bank Ltd.	5.00	5.00
5,000 equity shares of face value ₹100		
Chinar Commerce Private Limited	15.90	15.90
8,750 equity shares of face value ₹10		
Less: Impairment of Investment	(15.90)	-
<b>Total</b>	<b>10.00</b>	<b>25.90</b>
Aggregate amount of quoted investment		
Aggregate amount of Unquoted investment	30.90	30.90
Aggregate amount of impairment in the Value of investment	20.90	5.00

## Note 6 : Other financial assets non-current

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Security deposits	125.28	124.88
Margin Money Deposits with Banks (restricted)- Deposits with original maturity of more than 12 months. These are pledged with the Banks	240.80	226.80
<b>Total</b>	<b>366.08</b>	<b>351.68</b>

## Note 7 : Income tax assets (net)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provisions) - Unsecured, considered good	473.97	368.76
Less: Current Tax Payable for the year	30.00	-
Less: Refunds Received	427.90	208.92
Add: Taxes paid during the year	323.41	314.13
<b>Total</b>	<b>339.48</b>	<b>473.97</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 8 : Deferred tax assets (MAT Credit)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Deferred tax assets (MAT Credit)	1,341.07	1,341.07
Deferred tax assets	32.56	-
<b>Total</b>	<b>1,373.63</b>	<b>1,341.07</b>

Deferred tax assets (MAT Credit) year wise details

Financial Year	Amount (₹ in Lakhs)	Amount (₹ in Lakhs)
2009-10	63.74	63.74
2010-11	47.20	47.20
2011-12	477.19	477.19
2012-13	750.74	750.74
2015-16	1.16	1.16
2017-18	1.04	1.04
	<b>1,341.07</b>	<b>1,341.07</b>

Deferred tax assets year wise details

Financial Year	Amount (₹ in Lakhs)	Amount (₹ in Lakhs)
2022-23	32.56	-

## Note 9 : Other non-current assets

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balances with Government Authorities	51.48	50.48
Industrial Promotion Subsidy Receivable (Refer Sub note 9.1)	735.35	998.39
Capital Advance (Unsecured & Considered good)	45.84	155.34
<b>Total</b>	<b>832.67</b>	<b>1,204.21</b>

### Note : 9.1

Industrial Promotion Subsidy is receivable from Government of Maharashtra under Package Scheme of Incentives for the years from FY 2009-10 to FY 2016-17. These are receivable after completion of assessment under Maharashtra Value Added Tax Act, 2002.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 10 : Inventories

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials (includes lying with third parties)	2,896.08	2,433.30
Work-in-progress (includes tools & dies)	1,604.96	1,735.65
Finished goods (includes goods in transit as at March 31, 2023 ₹85.51 Lakh and as at March 31, 2022 ₹85.21 Lakh)	392.55	660.47
Stores and spares and packing	23.67	39.45
Scrap Material	86.31	80.15
Land and Development Cost (WIP)	11,299.57	11,274.22
<b>Total</b>	<b>16,303.14</b>	<b>16,223.22</b>

Note: Inventories have been offered as securities against the working capital facilities provided by the banks. Refer note 48.

## Note 11 : Trade Receivables Current

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured		
Considered good	7,553.05	11,065.66
Doubtful	62.02	-
<b>sub-total</b>	<b>7,615.07</b>	<b>11,065.66</b>
Less: Allowances for Doubtful Debt (Expected Credit Loss)	62.02	-
<b>Total</b>	<b>7,553.05</b>	<b>11,065.66</b>
Includes of the above trade receivables of related parties	Nil	Nil

The balance due from some of trade receivables are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

The Group's exposure to credit and loss allowances related to trade receivables are disclosed in note 36

### Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring / discounting arrangement. Under these arrangements, the Company has transferred the relevant receivables to the financial institutions in exchange for cash (net of deductions) and is prevented from selling or pledging the receivables. However, the Group has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under these agreement is presented as secured borrowing.

The relevant carrying amounts are as follows:

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Total Transferred receivables	4,147.18	8,127.45
Associated Secured Borrowing (Refer Note 22)	4,147.18	8,127.45

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Trade Receivables Ageing Schedule

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Undisputed Trade receivables – considered good</b>		
Not due	6,370.45	10,190.08
Less than 6 months	725.27	500.25
6 months - 1 year	114.57	56.81
1-2 years	115.71	52.13
2-3 years	42.58	6.74
More than 3 years	184.47	259.65
<b>Total</b>	<b>7,553.05</b>	<b>11,065.66</b>
<b>(ii) Undisputed Trade Receivables – considered doubtful</b>		
Not due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	62.02	-
<b>Total</b>	<b>62.02</b>	<b>-</b>
<b>(iii) Undisputed Trade Receivables – credit impaired</b>	<b>-</b>	<b>-</b>
<b>(iv) Disputed Trade Receivables – considered good</b>		
Not due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>(v) Disputed Trade Receivables – considered doubtful</b>		
Not due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>(vi) Disputed Trade Receivables – credit impaired</b>	<b>-</b>	<b>-</b>
<b>Total Trade Receivable</b>	<b>7,615.07</b>	<b>11,065.66</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 12 : Cash and cash equivalents

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	7.08	6.19
Margin Money Deposits (restricted)	0.16	-
Cash on Hand	0.85	1.10
<b>Total</b>	<b>8.09</b>	<b>7.29</b>

## Note 13 : Bank balances other than cash and cash equivalents

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balances with banks		
Margin Money Deposits (restricted) - Deposits with original maturity of more than 3 months but less than 12 months*	441.49	457.23
<b>Total</b>	<b>441.49</b>	<b>457.23</b>

\* These are pledged with banks and government departments (Refer Note No 48)

## Note 14 : Loans and advances (Current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Unsecured &amp; considered good</b>		
Advances to Employees	6.13	44.58
Loans to Others	18.00	-
Note : Loans and advances to others are net of provision for doubtful debts of ₹17.98 lakh (Previous year ₹ Nil)		
<b>Total</b>	<b>24.13</b>	<b>44.58</b>

## Note 15 : Other financial assets (current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Unsecured &amp; considered good</b>		
Security deposits & others	32.23	65.17
<b>Total</b>	<b>32.23</b>	<b>65.17</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 16 : Other Current Assets

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balances with government authorities (Input tax credit of GST)	258.38	94.75
Advances for Expenses (Unsecured & considered good)	4.46	1.32
Prepayments	63.69	45.27
Advances to suppliers* (Unsecured & considered good)	1,118.47	1,273.58
Note : Advance to suppliers are net of provision for bad debts of ₹3.67 Lakh (Previous Year ₹ Nil)		
Electricity duty refund receivable	6.67	-
<b>Total</b>	<b>1,451.67</b>	<b>1,414.92</b>
<i>* The balances of advance given to some of suppliers are subject to reconciliation. Necessary adjustments, if any, will be made when the accounts are settled.</i>		
Includes of the above advances to suppliers of related parties	519.01	427.26

## Note 16a : Assets Held for Sale

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Assets Held for Sale		
Land	-	312.40
Factory Building	-	320.89
<b>Total</b>	<b>-</b>	<b>633.29</b>

- (i) During the financial year 2022-23 the Company has sold the land and factory building situated at Plot No.E12-17 (7) & (8), MIDC, Bhosari, Pune-411026, which were shown as "Assets classified as held for sale" in the previous year
- (ii) During the financial year 2021-2022 the holding Company has entered into Memorandum of Understanding with the prospective buyer for transfer of land and factory building situated at Plot No.E12-17 (7) & (8), MIDC, Bhosari, Pune-411026 and accordingly these assets were presented as "Assets classified as held for sale" as at March 31, 2022.

## Note 17 : Share Capital

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Authorised</b>		
42,000,000 Equity shares of ₹10 each with voting rights (Previous Year 42,000,000 Equity shares)	4,200.00	4,200.00
<b>Issued, Subscribed and fully paid up</b>		
(as at March 31, 2023: 38,963,164 Equity shares of ₹10 each)) (as at March 31, 2022: 37,963,164 Equity shares of ₹10 each)	3,896.32	3,796.32
<b>Total</b>	<b>3,896.32</b>	<b>3,796.32</b>



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## a. Movement in authorised share capital

Particulars	₹ in Lakhs	
	Equity Share Capital	
	Number of shares	₹ in Lakhs
As at April 01, 2021	35,000,000	3,500.00
Increase / (decrease) during the year	7,000,000	700.00
As at April 01, 2022	42,000,000	4,200.00
Increase / (decrease) during the year	-	-
As at March 31, 2023	42,000,000	4,200.00

## b. Movement in Issued, Subscribed and fully paid up share capital

Particulars	₹ in Lakhs	
	Equity Share Capital	
	Number of shares	₹ in Lakhs
As at April 01, 2021	30,963,164	3,096.32
Increase / (decrease) during the year	7,000,000	700.00
As at April 01, 2022	37,963,164	3,796.32
Increase / (decrease) during the year	1,000,000	100.00
As at March 31, 2023	38,963,164	3,896.32

## c. Shares held by holding/ ultimate holding company and /or their subsidiaries/ associates

The Company being ultimate holding company, there are no shares held by any other holding, ultimate holding company and their subsidiaries/associates.

## d. Aggregate number of bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

There are no bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

## e. During the year following equity share were issued by the holding company

The Board of Directors of the holding Company has converted the share warrants and allotted 1,000,000 equity shares of the face value of ₹10/- each fully paid at a premium of ₹ 35/- each

## f. Details of shares held by shareholders holding more than 5% of equity share of the company

Name of the Shareholder	₹ in Lakhs	
	As at March 31, 2023	
	Number of shares held	% holding
Shivaji Tukaram Akhade	5,849,981	15.01
IndiaNivesh Renaissance Fund	4,794,520	12.31
Sudhir Vitthal Mungase	4,323,431	11.10
Sharjah Cement and Industrial Development Company Ltd	3,265,432	8.38
JM Financial Asset Reconstruction Company Limited	2,702,702	6.94
Utpal H Sheth	2,375,000	6.10
<b>Total</b>	<b>23,311,066</b>	<b>59.84</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

₹ in Lakhs

Name of the Shareholder	As at March 31, 2022	
	Number of shares held	% holding
Shivaji Tukaram Akhade	5,349,981	14.09
IndiaNivesh Renaissance Fund	4,794,520	12.63
Sudhir Vitthal Mungase	3,823,431	10.07
Sharjah Cement and Industrial Development Company Ltd	3,265,432	8.60
JM Financial Asset Reconstruction Company Limited	2,702,702	7.12
Utpal H Sheth	2,375,000	6.26
<b>Total</b>	<b>22,311,066</b>	<b>58.77</b>

## g. Details of share holding of promoters (Equity shares)

Sr. No	Promoters name	As at March 31, 2023		As at March 31, 2022		Change in*	
		No. of shares	% of holding	No. of shares	% of holding	No. of shares	%
1	Shivaji Tukaram Akhade	5,849,981	15.01	5,349,981	14.09	500,000	9.35%
2	Sudhir V. Mungase	4,323,431	11.10	3,823,431	10.07	500,000	13.08%
3	Vilas V. Lande	1,419,176	3.64	1,419,176	3.64	-	0.00%
4	Rema Radhakrishnan	308,717	0.79	308,717	0.79	-	0.00%
5	M. Radhakrishnan	109,953	0.28	109,953	0.28	-	0.00%
6	Linc Wise Software Pvt Ltd	1,000,000	2.57	1,000,000	2.57	-	0.00%

\*percentage change is computed with respect to the number at the beginning of the year and number of shares at the end of the year

Sr. No	Promoters name	As at March 31, 2022		As at March 31, 2021		Change in*	
		No. of shares	% of holding	No. of shares	% of holding	No. of shares	%
1	Shivaji Tukaram Akhade	5,349,981	14.09	3,474,981	11.22	1,875,000	53.96%
2	Sudhir V. Mungase	3,823,431	10.07	2,948,431	9.52	875,000	29.68%
3	Vilas V. Lande	1,419,176	3.64	1,419,176	4.58	-	0.00%
4	Rema Radhakrishnan	308,717	0.79	308,717	1.00	-	0.00%
5	M. Radhakrishnan	109,953	0.28	109,953	0.36	-	0.00%
6	Linc Wise Software Pvt Ltd	1,000,000	2.57	1,000,000	3.23	-	0.00%

\*percentage change is computed with respect to the number at the beginning of the year and number of shares at the end of the year

## h Terms and rights attached to equity shares

The company has only one class of equity shares having a face value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distributions of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 18 : Other Equity

### A. Reserves and Surplus

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Securities Premium Reserve	28,083.25	27,733.25
Revaluation Reserve	90.59	90.59
General Reserve	1,202.28	1,202.28
Equity component of compound financial instruments	61.75	61.75
Other Comprehensive Income (OCI)	26.87	38.72
Retained Earnings	(25,859.08)	(26,971.30)
<b>Total Reserves and Surplus</b>	<b>3,605.66</b>	<b>2,155.29</b>
<b>B. Money received against share warrants</b>	-	112.50
<b>Total Other Equity</b>	<b>3,605.66</b>	<b>2,267.79</b>

### Reserves and Surplus

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	27,733.25	25,521.58
Add: premium received	350.00	2,211.67
Balance at the end of the year	28,083.25	27,733.25
<b>Revaluation Reserve</b>		
Balance as at the beginning and end of the year	90.59	90.59
<b>General Reserve</b>		
Balance as at the beginning and end of the year	1,202.28	1,202.28
<b>Equity component of compound financial instruments</b>		
Balance as at the end of the year	61.75	61.75
<b>Other Comprehensive Income (OCI)</b>		
Balance as at the beginning of the year	38.72	(8.96)
Add: Items of other comprehensive income recognised directly in retained earnings (Remeasurement of post-employment benefit obligations- (loss)/ gain)	(11.85)	47.68
Balance as at the end of the year	26.87	38.72
<b>Retained Earnings</b>		
Balance as at the beginning of the year	(26,971.30)	(27,778.51)
Add: Profit / (Loss) for the year	1,112.07	807.20
Add: Impact of strike-off of subsidiary*	0.15	-
Balance as at the end of the year	(25,859.08)	(26,971.30)
<b>Total</b>	<b>3,605.66</b>	<b>2,155.29</b>

\*During the year Autoline Locomotive Parts LLP was voluntary strike off with effect from March 30, 2023 and group has taken the impact in the consolidated financial statement.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Nature and Purpose of Reserves:

a) **Retained earnings :**

Retained earnings represent the amount of accumulated earnings of the Company

b) **Securities premium account:**

Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of The Companies Act, 2013.

c) **Revaluation Reserve:**

Revaluation Reserve is used to record the revaluation amount which represents the current and probable future value of assets which is higher than the recorded historic cost of the same asset.

d) **General Reserves:**

Represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956 and transition adjustments on implementation of new accounting standards.

e) **Other Comprehensive income:**

This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other comprehensive Income, net of amounts reclassified, If any, to Retained Earnings when those instruments are disposed off.

f) **Equity component:**

Equity component of compound financial instruments is represent for amount of closed Lease Right of Use Assets

## Money received against share warrants

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	112.50	-
Add: warrants issued during the year	-	112.50
Less: warrants converted in equity shares during the year	112.50	-
Balance at the end of the year	-	112.50

## Share warrants converted during the financial year 2022-23

The outstanding amount on share warrants had to be paid in full on or before twelve months from the date of allotment of warrants.

The Promoters have paid the balance 75% of warrant price on June 01, 2022 and exercised their right for conversion of 10,00,000 warrants into equal number of equity shares of the Company. Hence, the Board of Directors of the Company has allotted 10,00,000 equity shares of the face value of ₹10/-each fully paid at a price of ₹ 45/- each on June 01, 2022.

## Share warrants issued during the financial year 2021-22.

The Company had issued and allotted 10,00,000 convertible share warrants on preferential basis to the Promoters pursuant to the shareholders' approval obtained on April 21, 2021. The warrants were allotted in the month of June 03, 2021 at a price of ₹ 45/- each ("warrant price") upon receipt of 25 % upfront amount ₹1.12 Crores which was outstanding as at March 31, 2022

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 19 : Borrowings (non current)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
From Financial Institutions (Refer Note 19.1 & 19.2)	3,146.48	2,778.39
<b>Total</b>	<b>3,146.48</b>	<b>2,778.39</b>

### Note 19.1 : Details of repayment of term loan

₹ in Lakhs

Lender	Amount outstanding as at March 31, 2023	Amount outstanding as at March 31, 2022	Nature of Facility	Terms of repayment/ Maturity detail
Bank of Baroda Term Loan	-	26.93	Term Loan	
Bank of Baroda Term Loan	-	34.34	Term Loan	Loan Closed
Bank of Baroda FITL	-	31.00	Term Loan	
JM Financial ARC-Restructured TL	760.00	1,709.79	Term Loan	Repayment in 10 quarterly installment commencing from Dec 2021 till Mar 2024 (Restructured)
JM Financial ARC-Converted TL	1,000.00	-	Term Loan	Repayment in 8 quarterly installment commencing from Aug 2022 till April 2024.
Tata Motors Finance Solution Ltd	-	285.12	Term Loan	Loan Closed
Tata Motors Finance Solution Ltd	-	170.44	Term Loan	Loan Closed
Tata Motors Finance Solution Ltd	-	200.08	Term Loan	Loan Closed
Tata Motors Finance Solution Ltd	315.70	383.75	Term Loan	Repayment in 72 equated monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	336.49	408.60	Term Loan	Repayment in 72 equated monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	1,366.41	1,658.95	Term Loan	Repayment in 72 equated monthly installments starting from Oct-2020 to Sept-2026.
Tata Motors Finance Solution Ltd	1,816.06	-	Term Loan	Repayment in 48 equated monthly installments starting from Jan-2023 to Dec-2026.
<b>Sub-total</b>	<b>5,594.66</b>	<b>4,909.00</b>		
Less : Current maturities of long term borrowings	2,448.18	2,130.61		
<b>Total</b>	<b>3,146.48</b>	<b>2,778.39</b>		

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 19.2 : Details of Security offered for borrowings outstanding as at March 31, 2023

1. Bank of Baroda's Term loan and working capital are secured by exclusive First Charge by way of equitable mortgage of factory land & building, office building and hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc. both present and future situated at Plot No.5, 6 & 8, Tata Motors Ltd. Vendor Park, Rudrapur, Uttarakhand and Second Charge by way of mortgage of factory land & building, office building and hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future situated at S.No. 313,314, 320 to 323, at Nanekarwadi, Chakan, Pune 410501. (called as Chakan Unit- II).
2. JM Financial A R C Pvt. Ltd.'s loans are secured by First Charge pari passu on Land with factory building and by way of hypothecation of other fixed assets of the Company viz. Plant & Machinery, Tools & Dies, Instruments & Equipments, Furniture & Fixture, Electrical Installation, Office Equipments, Computers, etc., both present and future, situated at S. No. 313,314,320 to 323, at Nanekarwadi, Chakan, Pune (called as Chakan Unit- II). Further it is secured by second Charge by way of mortgage of factory land & building, office building and hypothecation of plant and machinery and other movable fixed assets of the Company situated at Plot No. 6 & 8, Tata Motors Ltd. Vendor Park, SIDCUL, Rudrapur, Uttarakhand.
3. Tata Motors Finance Solutions Ltd 's Term loans are secured by first charge on Land & Building, Plant & Machinery of the Company situated at S. No. 313, 314, 320 to 323, Nanekarwadi, Chakan, Tal Khed, Dist Pune Extension of First Pari passu charge of ₹ 23.75 crores with JM Financial A R C Pvt. Ltd. Further they are secured by First & Exclusive charge on land, Building, Plant & Machinery both present and future situated at Survey no. 287, 291 to 295 and 298 Nanekarwadi, Taluka Khed, Dist Pune and first exclusive charge on land and building, plant & machinery situated at Plot No. 186-A, Belur Industrial Area growth Centre, Opp. High Court, Dharwad, Karnataka.
4. (a) Credit facilities of Bank of Baroda are secured by personal guarantee of Managing Director, One Promotor Director and one employee of the company and Cash margin in fixed deposit of ₹3 crores for LC limit of ₹20 crores  
 (b) Credit Facilities of Tata Motors Financial Services Ltd and JM Financial A R C Pvt. Ltd are further guaranteed by Managing Director and One Promotor Director in their personal capacity.
5. Term Loans sanctioned by Bank of Baroda and JM Financial A R C Ltd are having second charge on all Current Assets of the Company.
6. Interest rate for above loans are range between 10% to 13%
7. Repayment default on Long Term Borrowings outstanding as at the year end is as follows:-

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
From Others		
Principal Amount	-	190.00
Interest Amount	-	89.66

These defaults have been paid till the date of approval of financial statements



## Notes forming part of Consolidated Financial Statements as at March 31, 2023

8. The Company has delayed/defaulted in the payment of borrowings. The summary of default during the year is as under :

Name of Lender	Nature of Borrowing	Principal	
		Total amount not paid on due date (₹ In Lakhs)	Period (maximum days)
Bank of Baroda Ltd	Rupee Term Loan	53.59	4
Tata Motors Finance Solution Ltd	Rupee Term Loan	820.87	17

Name of Lender	Nature of Borrowing	Interest	
		Total amount not paid on due date (₹ In Lakhs)	Period (maximum days)
Tata Motors Finance Solution Ltd	Rupee Term Loan	391.11	17

Name of Lender	Nature of Borrowing	Grand Total	
		Total amount not paid on due date (₹ In Lakhs)	Period (maximum days)
Bank of Baroda Ltd	Rupee Term Loan	53.59	4
Tata Motors Finance Solution Ltd	Rupee Term Loan	1,211.98	17

### Note 20 : Lease liabilities (non-current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer note No.41B)	232.83	124.59
<b>Total</b>	<b>232.83</b>	<b>124.59</b>

### Note 21 : Provisions (non-current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (Refer note 45)	26.91	22.99
Compensated absences	92.69	80.76
<b>Total</b>	<b>119.60</b>	<b>103.75</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 22 : Borrowings (current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Secured</b>		
Loans repayable on demand - cash credit		
From Banks	1,588.80	1,778.19
From Financial Institutions	999.99	999.99
Current Maturities-		
Long-Term Borrowings (Refer Note 19.1)	2,448.18	1,940.61
Repayment Overdue on long term borrowings (secured)	-	190.00
Optionally Convertible Debentures	-	1,495.11
Bill discounted	4,147.18	8,127.45
<b>Unsecured</b>		
From Financial Institutions	3,494.55	3,487.57
Related Parties - Intercompany deposits (Refer Note 39)	408.72	426.38
Related Parties - Promoters & Directors (Refer Note 39)	491.99	145.61
Others - Intercompany deposits	293.30	2,170.31
<b>Total</b>	<b>13,872.71</b>	<b>20,761.22</b>

- All working capital borrowings from the banks have been secured with first charge by hypothecation of current assets of the Holding Company and further secured with Second Charge by Mortgage / Hypothecation of Fixed Assets of the Holding Company.
- Working capital borrowings from Banks are further guaranteed in the personal capacity by Managing Director, One Promoter Director and One employee of the Holding Company.
- Working capital borrowings from financial institutions are guaranteed in the personal capacity by Managing Director and One Promoter Director of the Holding Company.
- Unsecured loan from subsidiaries, related parties and other corporates are repayable on demand

## Note 23 : Trade payables

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>(A) Total outstanding dues of micro and small enterprises</b>	<b>755.14</b>	<b>164.90</b>
(Refer note no 43 for disclosures as per MSMED Act 2006)		
Outstanding dues of Creditors other than micro and small enterprises		
Acceptances (Letter of credit)	1,124.77	1,050.53
Trade payables (other than related parties)	5,277.46	4,644.31
Trade payables to related parties (refer note no 39)	238.63	311.64
<b>(B) Total outstanding dues of Creditors other than micro and small enterprises</b>	<b>6,640.87</b>	<b>6,006.48</b>
<b>Total Trade Payable (A+B)</b>	<b>7,396.01</b>	<b>6,171.38</b>

The balances of trade payable for the amount due to some of them are subject to reconciliation. Necessary adjustments, if any, may be made when the accounts are settled.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Trade Payables Ageing Schedule

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(I) MSME</b>		
<b>a) Disputed dues - MSME</b>		
Not Due	-	-
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>b) Other than Disputed dues-MSME</b>		
Not Due	322.19	26.39
Less than 1 year	431.71	99.08
1-2 Years	1.22	0.44
2-3 Years	-	38.99
More than 3 years	0.02	-
<b>Total</b>	<b>755.14</b>	<b>164.90</b>
<b>(II) Other Than MSME</b>		
<b>a) Disputed dues - Others</b>		
Not Due	-	-
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>b) Other than Disputed dues-Others</b>		
Not Due	3,537.09	802.63
Less than 1 year	2,813.66	4,808.55
1-2 Years	97.10	151.49
2-3 Years	66.10	136.30
More than 3 years	126.90	107.50
<b>Total</b>	<b>6,640.87</b>	<b>6,006.48</b>
<b>Grand Total</b>	<b>7,396.01</b>	<b>6,171.38</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 24 : Other Financial Liabilities (current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Employee benefits payable	345.59	371.94
Other expenses payables	497.94	814.60
Settlement Claim Payable	386.15	680.76
Interest Payable	735.70	695.53
<b>Total</b>	<b>1,965.38</b>	<b>2,562.83</b>
<b>Lease liabilities</b> (Refer Note 41 B)	67.51	24.17
<b>Total</b>	<b>2,032.89</b>	<b>2,587.00</b>
Includes of the above Other payables of related parties	-	-

## Note 25 : Other Current liabilities

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Advances from customers	266.73	303.93
Statutory dues payables	2,386.85	2,655.24
Other Payables	2.97	1.22
Advances against sale of Property, Plant & Equipment	-	200.00
<b>Total</b>	<b>2,656.55</b>	<b>3,160.39</b>

## Note 26 : Provisions (current)

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (refer note 45)	526.34	468.21
Compensated absences	8.84	7.19
Income Tax Provision	5.50	-
<b>Total</b>	<b>540.68</b>	<b>475.40</b>

## Note 27 : Revenue from operations

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from contracts with customer</b>		
Sale of products	56,656.50	49,673.52
Sale of services	293.80	205.42
Other operating revenues	8,024.71	6,964.38
<b>Total</b>	<b>64,975.01</b>	<b>56,843.32</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## A) Disaggregate revenue

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue recognised for the year 2022-23</b>		
Revenue recognised at point-in-time for the year 2022-23	64,975.01	56,843.32
Revenue recognised over time for the year 2022-23	-	-
Revenue for the year 2022-23 from customers within India	64,568.49	56,549.27
Revenue for the year 2022-23 from customers outside India	406.52	294.05
<b>Disaggregation of revenue</b>		
Based on type of goods		
Components, assemblies and sub-assemblies	50,551.30	45,135.65
Tools, dies and moulds	883.15	760.02
Scrap	8,008.13	6,944.34
Others	5,532.44	4,003.30
Based on market		
Original equipment manufacturers	50,346.97	44,944.62
Others	14,628.05	11,898.70
Impairment losses recognised on receivables or contract assets arising from an entity's contracts with customers (loss recognised as per expected credit loss model)	-	-

## B) Details of contract balances:

The following table provides information about trade receivables and contract liabilities from contracts with customers.

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
Trade receivables	7,553.05	11,065.66
Contract Liabilities	266.73	303.93

The contract liabilities primarily relate to the advance consideration received from customers and claims payable to customers, for which revenue is recognised as and when control in promised goods is transferred.

Significant changes in the contract liability balances during the year ended are as follows:

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
<b>Contract liabilities at the beginning of the year</b>	303.93	169.99
Revenue recognised that was included in the contract liability balance at the beginning of the year	140.31	87.03
Increase due to cash received, excluding amounts recognised as revenue during the year	103.11	220.97
<b>Contract liabilities at the end of the year</b>	<b>266.73</b>	<b>303.93</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## C) Performance Obligations

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.

## D) Transaction Price

There is no remaining performance obligation for any contract for which revenue has been recognised till period 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 less 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.

## E) 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.

## F) Determining the transaction price and the amounts

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.

## G) 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.

## Note 28 : Other income

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income	107.27	102.61
Dividend income from other Investments	0.35	-
Other non-operating income	102.20	48.37
Profit on Sale of Property, Plant & Equipment	42.63	8.01
<b>Total</b>	<b>252.45</b>	<b>158.99</b>

## Note 29.a : Cost of materials consumed

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory of raw material at the beginning of the year	2,513.44	2,009.66
Add : Purchases:	48,701.86	40,765.02
	<b>51,215.30</b>	<b>42,774.68</b>
Inventory of raw material at the end of the year	2,982.40	2,513.44
<b>Total</b>	<b>48,232.90</b>	<b>40,261.24</b>



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 29.b : Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Inventories at the end of the year:</b>		
Finished goods	392.55	660.47
Work-in-progress (includes tools & dies)	1,604.96	1,735.65
	<b>1,997.51</b>	<b>2,396.12</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	660.47	447.45
Work-in-progress (includes tools & dies)	1,735.65	1,582.65
	<b>2,396.12</b>	<b>2,030.10</b>
<b>Net (increase) / decrease</b>	<b>398.61</b>	<b>(366.02)</b>

## Note 30 : Employee benefits expenses

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages and Bonus	3,204.43	2,753.89
Contributions to provident and other funds	136.46	117.91
Gratuity expenses	97.08	91.50
Employee Insurance expenses	19.73	13.82
Staff welfare expenses	251.00	232.24
Compensated absences	21.76	12.74
<b>Total</b>	<b>3,730.46</b>	<b>3,222.10</b>

## Note 31 : Finance costs

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>(a) Interest expense on:</b>		
(i) Borrowings	1,581.14	1,755.70
(ii) Letter of Credit	0.37	3.67
(iii) Interest on delayed / deferred payment	273.55	344.03
(iv) Interest to others	223.34	326.54
<b>(b) Other borrowing costs</b>	<b>17.55</b>	<b>19.18</b>
<b>(c) Bank Charges &amp; Commission</b>	<b>102.58</b>	<b>119.00</b>
<b>Total</b>	<b>2,198.54</b>	<b>2,568.12</b>

## Note 32 : Depreciation and amortisation

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of tangible assets (refer note 4)	1,693.66	1,971.06
Amortisation of intangible assets (refer note 4)	11.76	3.19
Amortisation of ROU assets (refer note 4)	58.05	39.31
<b>Total</b>	<b>1,763.47</b>	<b>2,013.56</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 33 : Other expenses

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and Spares	810.25	718.38
Consumption of packing material	138.97	149.16
Outsourced direct labour cost	3,196.05	3,663.13
Power and fuel	1,931.33	1,726.79
Transport charges	1,132.70	1,278.87
Repairs and maintenance - Buildings	65.47	31.74
Repairs and maintenance - Machinery	444.20	348.04
Repairs and maintenance - Others	157.73	110.31
Tooling and designing charges	9.20	-
Insurance	23.89	26.72
Rent	85.66	94.19
Rates and taxes	91.43	70.00
Communication expenses	22.89	20.61
Travelling and conveyance	32.17	20.22
Printing and stationery	14.48	17.28
Legal and professional fees	217.48	246.05
Security charges	117.99	126.42
Director sitting fees	19.90	18.55
Provision for Bad Debts	3.67	-
Payments to auditors (see sub-note1)	44.72	35.01
Net loss on foreign currency transactions	40.72	24.35
Miscellaneous expenses	142.95	103.99
Sundry balances writeoff (Net)	13.17	267.28
<b>Total</b>	<b>8,757.02</b>	<b>9,097.11</b>

### Note 33.1 : Other Expenses (Sub-note 1)

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Payments to auditors comprises		
As Auditors - Statutory	41.66	32.13
Reimbursement of expenses	3.06	2.88
<b>Total</b>	<b>44.72</b>	<b>35.01</b>

**Note 33.2 : Corporate social responsibility expenditure :** The Company does not meet the criteria specified in sub section (i) of section 135 of the Companies [Corporate Social Responsibilities (CSR) Rule 2014] Act. Therefore it is not required to incur any expenditure on account of CSR activities during the year.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 33.3 : Following expenses were capitalised during the year 2022-23

Particulars	₹ in Lakhs
	For the year ended March 31, 2023
Internal generated tools & dies	41.34
<b>Total</b>	<b>41.34</b>

## Note 34 Exceptional items

Particulars	₹ in Lakhs	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales tax dues paid in amnesty scheme	(164.55)	-
Profit on Sale of Property, Plant & Equipment	1,239.89	-
Insurance Claim received	280.00	-
Profit on sale of equity share of AIPL	-	463.08
Loss on impairment of equity share of AIPL	(367.43)	-
Provision for Doubtful Debts	(62.02)	-
Impairment Charge - Investments in Chinar Commerce	(15.90)	-
Forfeiture of advance	-	100.00
<b>Total</b>	<b>909.99</b>	<b>563.08</b>

### Notes:

- Sales tax dues paid in amnesty scheme:** Exceptional items for the year ended on March 31, 2023 includes ₹1.65 crore for sales tax dues paid under the MVAT amnesty scheme of maharashtra state government.
- Profit on Sale of Property, Plant & Equipment:** Exceptional items for the year ended on March 31, 2023 includes Profit of ₹ 12.40 Crores from Sale of Land & factory shed/building at Survey No. Plot No.E12-17 (7) & (8), MIDC, Bhosari, Pune-411026 unit of the Company.
- Insurance Claim received:** Exceptional items for the year ended on March 31, 2023 includes ₹ 2.80 Crores for Insurance claim received against Directors & Officers liability insurance policy for expenses incurred in legal matter for CJ Automotive settlement.
- Loss on impairment of equity share investment:** Exceptional items for the year ended on March 31, 2023 includes loss ₹ 3.67 Crores on impairment of equity share investment in Autoline Industrial Parks Limited by Autoline Design Software Limited. The management of the company identified a potential buyer MNSC Realty & Developers Pvt. Ltd for its stake sale and the Company have entered into a Memorandum of Understanding (MoU) with MNSC Realty & Developers Pvt. Ltd on April 28, 2023. Difference beteen selling price and cost prices booked as impairment loss.
- Provision of Doubtful Debts:** Exceptional items for the year ended on March 31, 2023 includes ₹ 0.62 Crores for doubtful debts provision made for trade receivable in Autoline Design Software Limited.
- Loss on impairment of equity share investment:** Exceptional items for the year ended on March 31, 2023 includes ₹ 0.16 Crores for impairment of equity share investment in Chinar Commerce Pvt Ltd by Autoline Industrial Parks Limited
- Profit on sale of equity share investment:** Exceptional items for the year ended on March 31, 2022 includes Profit of ₹4.63 Crores from Sale of equity share of Autoline Industrial Partks Limited
- Forfeiture of advance:** Exceptional items for the year ended on March 31, 2022 includes ₹1 Crores for forfeiture of advance received agaist sales of property plant and equipment.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 35 : Fair Value Measurement

### Financial Instrument by category

As at March 31, 2023

₹ in Lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
<b>Financial Assets:</b>			
<b>Non-Current</b>			
Other Financial assets	366.08		366.08
Investments		10.00	10.00
<b>Current</b>			
Trade Receivables	7,553.05		7,553.05
Cash and cash equivalents	8.09		8.09
Bank balances other than cash and cash equivalents	441.49		441.49
Loans and advances	24.12		24.12
Other Financial assets	32.23		32.23
<b>Financial Liabilities:</b>			
<b>Non-Current</b>			
Borrowings	3,146.48		3,146.48
Lease liabilities	232.83		232.83
<b>Current</b>			
Borrowings	13,872.71		13,872.71
Lease liabilities	67.51		67.51
Trade payables	7,396.00		7,396.00
Other financial liabilities	1,965.38		1,965.38

As at March 31, 2022

₹ in Lakhs

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Total Carrying value
<b>Financial Assets:</b>			
<b>Non-Current</b>			
Other Financial assets	351.68		351.68
Investments		25.90	25.90
<b>Current</b>			
Trade Receivables	11,065.66		11,065.66
Cash and cash equivalents	7.29		7.29
Bank balances other than cash and cash equivalents	457.23		457.23
Loans and advances	44.58		44.58
Other Financial assets	65.17		65.17

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

Particulars	Amortised cost	Financial assets / liabilities at fair value through profit or loss	₹ in Lakhs
			Total Carrying value
<b>Financial Liabilities:</b>			
<b>Non-Current</b>			
Borrowings	2,778.39		2,778.39
Lease liabilities	124.59		124.59
<b>Current</b>			
Borrowings	20,761.22		20,761.22
Lease liabilities	24.17		24.17
Trade payables	6,171.38		6,171.38
Other financial liabilities	2,562.83		2,562.83

## Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

	Date of Valuation	Level 1	Level 2	₹ in Lakhs
				Level 3
<b>Financial Assets</b>				
Investments:				
Equity Instruments	March 31, 2023	-	-	10.00

### Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2022

	Date of Valuation	Level 1	Level 2	₹ in Lakhs
				Level 3
<b>Financial Assets</b>				
Investments:				
Equity Instruments	March 31, 2022	-	-	25.90

The carrying amount of trade receivables, cash and cash equivalent, bank balances other than cash and cash equivalent, other current financial assets, short term borrowings, trade payables and other financial liabilities are considered to be same as their fair values, due to their short term nature. The Group has availed long term borrowings from banks and financial institutions carrying interest in the range of 9.50% to 15%. The carrying values approximate their respective fair values. Similarly the fair value of non-current financial assets also approximate its carrying value.

The Cost of unquoted investments included in Level 3 of fair value hierarchy approximate their fair value.

# Notes forming part of Consolidated Financial Statements

## as at March 31, 2023

### Financial assets and liabilities measured at Amortised cost:

The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rates applicable are equal to the current market rate of interest.

The fair value of investments in mutual funds are based on the price quotation at the reporting date obtained from the asset management companies.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. The Group does not have any financial asset in this measurement category.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, mutual funds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group does not have any financial asset in this measurement category.

### Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments include

- Fair value of forward foreign exchange contracts is determined using forward exchange rate as at the balance sheet date
- Fair value of remaining financial instruments is determined using discounted cash flow analysis

### Valuation processes

For valuation of financial assets and liabilities, the finance department of the company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and the valuation team on regular basis.

## Note 36 : Financial risk management

The Group's financial risk management is an integral part of how to plan and execute its business strategies, the Group is exposed primarily to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Group, the Group has a system based approach and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks which covers risks associated with the financial assets and liabilities such as credit risks, liquidity risk etc. The risk management policy is approved by the board of directors. The risk management framework aims to achieve greater predictability to earnings by determining the financial value of the expected earnings in advance. Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

### A. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of illiquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable us to meet our payment obligations. Currently the Group is facing liquidity crises due to huge interest cost.



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

Management monitors rolling forecast of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this.

## Maturities of financial liabilities

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities and net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows.

₹ in Lakhs				
Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
<b>March 31, 2023</b>				
<b>Non Derivatives</b>				
Borrowings	9,725.52	1,203.86	1,942.62	12,872.00
Lease liabilities	67.51	83.83	149.00	300.34
Bill Discounting	4,147.18			4,147.18
Trade Payables	7,396.01			7,396.01
Other Financial Liabilities	1,965.38			1,965.38
<b>Total Non-Derivative Liabilities</b>	<b>23,301.60</b>	<b>1,287.69</b>	<b>2,091.62</b>	<b>26,680.91</b>

₹ in Lakhs				
Contractual maturities of financial Liabilities	Upto 1 Year	Between 1 and 2 years	Between 2 years and above	Total
<b>March 31, 2022</b>				
<b>Non Derivatives</b>				
Borrowings	12,633.77	1,246.85	1,531.54	15,412.16
Lease liabilities	24.17	28.30	96.30	148.77
Bill Discounting	8,127.45			8,127.45
Trade Payables	6,171.38			6,171.38
Other Financial Liabilities	2,562.83			2,562.83
<b>Total Non-Derivative Liabilities</b>	<b>29,519.60</b>	<b>1,275.15</b>	<b>1,627.84</b>	<b>32,422.59</b>

## B. Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments.

### (a) Interest rate risk

The Group has fixed rate borrowing and variable rate borrowings in order to obtain more efficient leverage. The fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Floating rate debt results in cash flow interest rate risk. The Group has taken both interest rate risk debts for managing its liquidity and day to day requirements of the funds.

## Notes forming part of Consolidated Financial Statements

as at March 31, 2023

The exposure of the borrowings [long term and short term (excluding bill discounting receivable)] to interest rate changes at the end of the reporting period are as follows:

Particulars	₹ in Lakhs	
	31-Mar-23	31-Mar-22
Variable Rate Borrowings	5,083.35	1,870.44
Fixed Rate Borrowings	7,788.66	13,541.72
<b>Total Borrowings</b>	<b>12,872.01</b>	<b>15,412.16</b>

As at the end of the reporting period, the Company had the following variable rate borrowings and interest rate swaps contracts outstanding's

	As at March 31, 2023		
	Weighted average interest rate	Balance (₹ in Lakh)	% of total loans
Bank loans, cash credits, working capital loans	11.79%	5,083.35	39.49%
<b>Net exposure to cash flow interest rate risk</b>		<b>5,083.35</b>	

	As at March 31, 2022		
	Weighted average interest rate	Balance (₹ in Lakh)	% of total loans
Bank loans, cash credits, working capital loans	12.00%	1,870.44	12.14%
<b>Net exposure to cash flow interest rate risk</b>		<b>1,870.44</b>	

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

### Sensitivity Analysis:

The sensitivity analysis is determined on the basis of interest rates on floating liabilities. The outstanding liabilities at the year end are considered as a base for the whole year.

If all the other variable factors remain constant, the changes in 100 basis points in the interest rate (up and down), the results are in the below table.

Change in Interest Rate	₹ in Lakhs	
	Impact on Floating Rate Borrowings	
	As At March 31, 2023	As At March 31, 2022
Increase in rates by - 1%	50.83	18.70
Decrease in rates by - 1%	(50.83)	(18.70)

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## (b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	₹ in Lakhs	
	As At March 31, 2023	As At March 31, 2022
Trade Payables/ (Advance)		
USD	(19.27)	11.01
USD	17.29	-
Euro	3.16	7.33
Trade Receivable		
USD	350.09	300.28
Euro	-	0.74
Others		
USD	386.15	680.76

## C. 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. Credit risk arises from cash and cash equivalents, other balances and deposits with bank and financial institutions and trade receivables, derivative financial instruments and financial guarantees.

### Credit risk management:

For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the Group 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 Group 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: (A). 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 (B). actual or expected significant changes in the operating results of the counterparty (C). significant increase in credit risk on other financial instruments of the same counterparty (D). significant changes in the value of the collateral supporting the obligation or in the quality of thirdparty 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 forming part of Consolidated Financial Statements

as at March 31, 2023

## Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. None of the Group'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, 2023, that defaults in payment obligations will occur.

The Group 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 other than trade receivables. The Group follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

₹ in Lakhs

Trade Receivables	As at March 31, 2023		
	Gross	Allowance	Net
Period (in months)			
Not due	6,370.45	-	6,370.45
Overdue upto 3 months	479.81	-	479.81
Overdue 3-6 months	246.55	-	246.55
Overdue more than 6 months	518.26	62.02	456.24
<b>Total</b>	<b>7,615.07</b>	<b>62.02</b>	<b>7,553.05</b>

₹ in Lakhs

Trade Receivables	As at March 31, 2022		
	Gross	Allowance	Net
Period (in months)			
Not due	10,190.08	-	10,190.08
Overdue upto 3 months	436.11	-	436.11
Overdue 3-6 months	64.14	-	64.14
Overdue more than 6 months	375.33	-	375.33
<b>Total</b>	<b>11,065.66</b>	<b>-</b>	<b>11,065.66</b>

## Note 37 : Capital management

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- To Maintain an optimal capital structure to reduce the cost of capital.

The Group determines the amount of capital required on the basis of annual operating plans, long term product and maintaining other strategic investment plans. The funding requirements are met through equity, long term borrowings and short term borrowings. The Group's policy is aimed at maintaining optimum combination of short term and long term borrowings. The Group manages its capital structure and makes adjustments considering the economic environment, the maturity profile of the overall debt of the Group and the requirement of the financial covenants.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

₹ in Lakhs

Particulars	As At March 31, 2023	As At March 31, 2022
Total long term debt (refer note 19)	3,146.48	2,778.39
Total Debt	17,319.53	23,688.38
Total Equity	13,925.98	12,547.02
Total Capital	31,245.51	36,235.40
Long term debt to equity ratio	0.23	0.22
Total debt to equity ratio	1.24	1.89

## Note 38 : Segment Information

Ind As 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosure about products and services, geographic areas and major customer. The company is engaged mainly in the business of manufacturing sheet metal auto components and assemblies thereof. Based on the 'management approach' as defined in Ind As 108, the 'Chief operating Decision Maker' (CODM) considers entire business as single operating segment. The Company's operating divisions are managed from India. The principal geographical areas in which the company operates are India.

### i) The revenue from external customer for each of the major products is as follows

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Components, assemblies and sub-assemblies	50,551.30	45,135.65
Tools, Dies and Moulds	883.15	760.02
Scrap	8,008.13	6,944.34
Others	5,532.43	4,003.31
<b>Total</b>	<b>64,975.01</b>	<b>56,843.32</b>

### ii) Geographical Information

₹ in Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Revenue from customers</b>		
Within India	64,568.49	56,549.27
Outside India	406.52	294.05
<b>Total</b>	<b>64,975.01</b>	<b>56,843.32</b>

**Non-Current Assets** : The Company has common non-current operating asset for domestic as well as overseas market, hence separate figures for these assets are not required to be published.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## iii) Major customer

**The Revenue from customers which is more than 10% of companies total revenue.**

₹456.46 crore (previous year ₹409.52 crore) of the company's revenue attributable to one of its customer Tata Motors Limited Group.

## Note 39 : Related Party Transactions

### a) Related parties and their relationship

#### 1) Key Management Personnel (KMP)

- Mr. Vilas Lande - Chairman Emeritus
- Mr. Prakash B. Nimbalkar - Chairman (Non-executive Director)
- Mr. Shivaji Akhade - Managing Director & CEO
- Mr. Sudhir Mungase - Wholetime Director
- Mr. Vijay Thanawala- Independent Director
- Mr. Sridhar Ramachandran- Nominee Director
- Mrs. Rajashri Sai- Independent Director
- Mr. Devang Dhruv - Independent Director
- Mr. P J Batavia - Independent Director
- Mr. Nimish Rana - Independent Director
- Mr. Umesh Chavan - Director

#### 2) Relatives of KMP

Key Management Personal - Mr. Vilas Lande, Mr. Shivaji Akhade and Mr. Sudhir Mungase are related to each other.

#### 3) Companies/Entities in which KMP / Relatives of KMP can exercise significant influence

- i) Balaji Enterprises
- ii) Shreeja Enterprises
- iii) Sumeet Packers Pvt. Ltd.
- iv) Siddhai Platers Private Ltd.
- v) Om Sai Transport Co.
- vi) Viro Hi-Tech Engineers Pvt. Ltd.
- vii) S.V. Aluext Profile Pvt. Ltd.
- viii) Vimal Extrusion Pvt Ltd
- ix) Balaji Industries
- x) Jay Ambe Enterprises
- xi) Lincwise Software Pvt Ltd
- xii) United Farming and Real Estate
- xii) Thanawala & Company

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

1. Related parties have been identified by the Management and relied upon by the Auditors.
2. The Company is holding 43.26% Equity Share of AIPL, however since it controls the composition of Board of Directors, AIPL is treated as Subsidiary Company.

## b) Transactions with related parties

₹ in Lakhs

Particulars	Transaction Value		Closing balance	
	Year ended March 31, 2023	Year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Sale of Goods / Service</b>				
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Balaji Enterprises	-	77.65	-	-
Viro Hi-Tech Engineers Pvt. Ltd.	-	0.33	-	0.14
Jay Ambe Enterprises	0.50	-	-	-
Balaji Industries	966.45	606.03	-	9.70
Om Sai Transport Co.	4.62	-	-	-
Shivaji Akhade	1.56	-	-	-
Sumeet Packers Pvt. Ltd.	2.27	2.68	-	-
S.V. Aluext Profile Pvt Ltd	0.86	1.01	-	-
<b>Purchase of Goods / Service</b>				
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Balaji Enterprises	-	73.22	-	(18.49)
Shreeja Enterprises	1.05	8.66	(15.11)	(11.60)
Sumeet Packers Pvt. Ltd.	40.11	51.96	23.18	52.67
Siddhai Platters Pvt. Ltd.	132.53	53.90	56.21	31.91
Om Sai Transport Co.	86.15	253.12	(115.79)	156.42
Viro Hi-Tech Engineers Pvt. Ltd.	99.27	59.71	40.87	37.46
S.V. Aluext Profile Pvt Ltd	7.78	0.03	3.35	0.32
Jay Ambe Enterprises	42.52	30.37	16.75	23.22
Balaji Industries	1,022.41	567.28	85.28	-
S.V. Aluext Profile Pvt Ltd	0.86	-	1.01	-
Sumeet Packers Pvt Ltd	2.27	-	2.68	-
<b>Receiving of Services</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Sudhir Mungase	-	-	-	4.36
Mr. V V Lande	23.00	18.00	19.07	3.08
<b>Investment received (in equity)</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	168.75	750.00	-	-
Mr. Sudhir Mungase	168.75	350.00	-	-



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

₹ in Lakhs

Particulars	Transaction Value		Closing balance	
	Year ended March 31, 2023	Year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Investment received (in convertible share warrants)</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	-	56.25	-	-
Mr. Sudhir Mungase	-	56.25	-	-
<b>Loan Received</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	1,364.00	1,076.10	300.48	8.75
Mr. Sudhir Mungase	169.36	219.40	176.82	122.17
Mr. Shivaji Akhade	-	-	2.19	2.19
Mr. Sudhir Mungase	-	-	12.50	12.50
Mr. P J Batavia	-	-	64.30	64.30
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Vimal Extrusion Pvt Ltd	426.00	600.00	361.34	379.59
Sumeet Packers Pvt. Ltd.	-	35.00	5.78	5.19
Lincwise Software Private Limited	-	-	41.60	41.60
<b>Loan Repayment</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	1,074.37	1,387.54	-	-
Mr. Sudhir Mungase	122.00	158.00	-	-
Mr. Devang Dhruv	-	-	-	-
Mr. P J Batavia	-	-	-	-
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
S.V. Aluext Profile Pvt Ltd	-	-	-	-
Vimal Extrusion Pvt Ltd	450.71	224.00	-	-
Lincwise Software Pvt Ltd	-	-	-	-
Sumeet Packers Pvt. Ltd.	-	30.00	-	-
<b>Interest Paid on Loan</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	20.69	15.14	-	-
Mr. Sudhir Mungase	8.11	2.36	-	-
Mr. Shivaji Akhade	-	-	-	-
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
Vimal Extrusion Pvt Ltd	28.91	9.56	-	-
Sumeet Packers Pvt. Ltd.	0.65	0.21	-	-
<b>Advance for Purchase of Land</b>				
<b>Companies/Entities in which KMP / Relatives of KMP can exercise significant influence</b>				
United Farming and Real Estate	-	-	397.17	397.17

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

₹ in Lakhs

Particulars	Transaction Value		Closing balance	
	Year ended March 31, 2023	Year ended March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Director Remuneration</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Shivaji Akhade	57.38	58.35	-	13.40
Mr. Sudhir Mungase	22.95	23.34	-	6.15
Mr. Prakash B Nimbalkar	1.40	-	1.40	-
Mr. Vijay K Thanawala	1.40	-	1.40	-
Mr. Sridhar Ramachandran	1.40	-	1.40	-
Mr. Sudhir Mungase	24.00	24.00	16.80	-
<b>Director Sitting Fees</b>				
<b>Key Management Personnel (KMP)</b>				
Mr. Prakash B Nimbalkar	6.35	5.90	3.56	0.77
Mr. Vijay K Thanawala	4.10	3.80	1.53	0.77
Mr. Sridhar Ramachandran	4.35	3.90	2.95	0.41
Mrs. Rajashri Sai	1.95	1.65	0.68	0.27
Mr. Prakash B Nimbalkar	0.75	0.60	-	-
Mr. Devang Dhruv	0.75	0.75	0.95	0.27
Mr. P.J.Batavia	0.45	0.15	0.41	-
Mr. Vijay Thanawala	0.75	0.75	0.54	0.27
Mr. Nimish Rana	-	0.45	0.41	0.41
Mr.Umesh Chavan	0.45	0.60	0.68	0.27

**Note :**

- The closing balances above are net of advances.
- All outstanding balances are unsecured and are repayable in cash
- In addition to above related party transactions Managing Director and One Promoters Director has mortgaged their industrial plot against facility from financial institution. Further personal guarantee is provided by Managing Director and One Promoters Director of the Company for various facilities sanctioned.

## Note 40 : Contingent liabilities (To the extent not provided for)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
	<b>Claims against the Company not acknowledged as debt</b>	
Central Sales Tax & VAT Dues	525.03	1,195.87
Provident Fund Dues	34.06	34.06
Income tax dues	37.59	40.85
<b>Letter of Credit</b>		
Issued by Bank of Baroda	875.23	949.47

The claims subject to legal proceedings, have arisen in the ordinary course of business. The management does not reasonably expect that these claims and commitments, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial conditions.

# Notes forming part of Consolidated Financial Statements

## as at March 31, 2023

In addition to above there are certain pending cases in respect of labour matters, the impact of which is not quantifiable and is not expected to be material.

- (a) The Group has received various demand/notices from the VAT/Sales Tax Department on various matters. The Group has filed/is in the process of filing of appeal for these demand/notices and does not expect any significant outflows. Major demand is for mismatch between details as per the Group with that filed by vendors and other matters for which demand is raised and interest/penalty is charged. Further, the Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Group's financial position and results of operations.
- (b) There are numerous interpretative issues relating to Supreme Court (SC) judgement dated 28th February, 2019, relating to components/allowances paid that need to be taken into account while computing an employer's contribution to provident fund under the Employees Provident Funds and Miscellaneous Provident Act, 1952. The Group has assess the matter and there is no material impact on the financial statements as at 31 March 2023. The Group would record any further effect on its financial statements, on receiving additional clarity on the subject.
- (c) The Group is contesting various claims relating to labour matters and the management believes its position will likely be upheld in the appellate process. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Group's financial position and results of operations.
- (d) This represents remote liability pertaining to other employee related matters. The management believe that the chances of outflow of resources is remote
- (e) The Group has received notice from the Income Tax Department on disallowance of expenses matters. The company has filed appeal for these demand/notices and does not expect any significant outflows. Further, the Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in the financial statements. The management believes that the ultimate outcome of above proceeding will not have a material adverse effect on the Company's financial position and results of operations.

### Note 41 : Commitments

#### A) Capital Commitments

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Capital commitments for Civil Work	18.01	-

#### B) Leases

##### (a) Right-of-use assets

This note provides for information for leases where the Group is a lessee. The Group has leased Building properties. The Group has applied Ind AS 116 using the modified retrospective approach method with effect from April 01, 2019 to all leases subject to exemptions provided under Paragraph 5 of Ind AS 116.

##### (i) Amounts recognized in Balance Sheet:

###### Right-of-use assets:

The changes in the carrying value of ROU assets for the year ended March 31, 2023 are as follows

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

₹ in Lakhs			
Particulars	Building	Furniture & Fixture	Total
<b>Gross carrying amount as at April 01, 2022</b>	143.81	-	143.81
Addition during the year	162.51	33.16	195.66
Disposals	-	-	-
Deletion / Adjustment due to lease modification	-	-	-
Depreciation	58.05	-	58.05
<b>Gross carrying amount as at March 31, 2023</b>	<b>248.27</b>	<b>33.16</b>	<b>281.43</b>
<b>Gross carrying amount as at April 01, 2021</b>	61.03	-	61.03
Addition during the year	159.65	-	159.65
Disposals	37.55	-	37.55
Deletion / Adjustment due to lease modification	-	-	-
Depreciation	39.31	-	39.31
<b>Gross carrying amount as at March 31, 2022</b>	<b>143.81</b>	-	<b>143.81</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2023 is as follows

₹ in Lakhs		
Particulars	March 31, 2023	March 31, 2022
<b>Lease Liabilities:</b>	300.34	148.76
Current	67.51	24.17
Non-current	232.83	124.59

The movement in lease liabilities during the year ended March 31, 2023 is as follows :

₹ in Lakhs		
Particulars	March 31, 2023	March 31, 2022
<b>Balance at the beginning of the year</b>	<b>148.76</b>	<b>71.56</b>
Additions	195.66	159.65
Disposals	-	47.78
Finance cost accrued during the period	28.53	15.76
Deletion / Adjustment due to lease modification	-	-
Payment of lease liabilities	72.62	50.41
<b>Balance at the end of the year</b>	<b>300.34</b>	<b>148.76</b>

The maturity analysis of lease liabilities as at March 31, 2023:

₹ in Lakhs		
Particulars	March 31, 2023	March 31, 2022
Less than one year	67.51	24.17
One to five years	232.83	124.59
More than five years	-	-
<b>Total</b>	<b>300.34</b>	<b>148.76</b>

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

**(ii) Variable Lease payments**

*Estimation uncertainty arising from variable lease payments*

There were no leases with variable lease payments.

**(iii) Extension and termination options**

Extension and termination options are considered in a number of leases across the Group. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable on a mutual consideration between lessor and the Group. Therefore the extension and termination option is not considered.

**(iv) Residual value guarantees**

There were no leases with residual value guarantees.

**(b) Interest Expense on Lease Liabilities**

Particulars	₹ in Lakhs	
	March 31, 2023	March 31, 2022
Interest on lease liabilities	28.53	15.76

**(c) Amount recognised in the statement of Cash flow**

The total cash outflow for leases for the year ended March 31, 2023 was ₹72.62 Lakh (₹50.41 Lakh Previous Year)

## Note 42 : Earning / (Loss) per share

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Basic</b>		
Profit for the year as per statement of Profit and Loss	1,053.51	769.28
Weighted average number of equity shares	387.96	367.65
Earnings /(Loss) per share	2.72	2.09
<b>Diluted</b>		
Profit for the year as per statement of Profit and Loss	1,053.51	769.28
Less : Employee Stock Option amortised cost	-	-
	1,053.51	769.28
Weighted average number of equity shares	389.63	375.93
Earnings /(Loss) per share	2.70	2.05
Nominal value of an equity share	10	10

The Holding Company has converted 10,00,000 convertible share warrants into equity shares which has been considered for calculating diluted earning per share.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 43 : Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

### Autoline Industries Limited

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Principal amount remaining unpaid to MSME suppliers as on	755.14	164.90
Interest due on unpaid principal amount to MSME suppliers as on	12.56	18.53
The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	850.63	368.97
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	26.81	-
The amount of interest accrued and remaining unpaid at the end of accounting year	39.37	34.46
The amount of interest due and payable to be disallowed under Income Tax Act, 1961	39.37	18.53

Note :- Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## Note 44 : Income Tax & Deferred Tax

### A. Income Tax

The Group does not have taxable income on current and previous year and hence no tax expenses have been recognised. Further since it is not probable that future taxable amounts will be available to utilize the deferred tax assets in respect of following unused tax losses and unabsorbed depreciation, no deferred tax assets have been recognised except for tax paid under Minimum Alternate Tax (MAT) under Income Tax Act 1961.

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Unused Tax losses for which no deferred tax asset has been recognised		
Business Losses	16,958.28	20,102.08
Unabsorbed depreciation	12,159.91	12,425.09
Potential tax benefit	7,570.73	8,186.44

a) Unused tax losses with respect to unabsorbed depreciation do not have an expiry date.

## Notes forming part of Consolidated Financial Statements as at March 31, 2023

- b) Unused tax losses with respect to Business losses have following expiry date.

₹ in Lakhs		
Financial Year	Amount	Expiry Date
2015-16	1,524.58	March 31, 2024
2016-17	5,380.59	March 31, 2025
2017-18	4,971.17	March 31, 2026
2018-19	35.91	March 31, 2027
2019-20	3,486.42	March 31, 2028
2020-21	1,501.38	March 31, 2029
2021-22	58.22	March 31, 2030
	<b>16,958.27</b>	

- c) The Group has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance Sheet

₹ in Lakhs		
Financial Year	Amount	Expiry Date
2009-10	63.74	2024-25
2010-11	47.20	2025-26
2011-12	477.19	2026-27
2012-13	750.74	2027-28
2015-16	1.16	2030-31
2017-18	1.04	2032-33
<b>Total</b>	<b>1,341.07</b>	

- d) Reconciliation of effective tax rate and tax expenses with accounting profit.

₹ in Lakhs		
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before income tax	1,056.45	769.28
Tax Rate @ 26% (FY 2021-22 @ 26%)	274.68	200.01
Tax effect of amounts which are not deductible / taxable in calculating taxable income		
Unrecognised deffered tax asset	(274.68)	(200.01)
Tax Expenses	-	-



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## B. Deferred Tax

### Autoline Industries Limited

Deferred Tax assets (other than MAT credit) reflected in the Balance Sheet as follows:

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Deferred Tax Asset		
Carry forward losses	1,283.19	1,201.21
	<b>1,283.19</b>	<b>1,201.21</b>
Deferred Tax Liability		
Depreciation	1,283.19	1,201.21
	<b>1,283.19</b>	<b>1,201.21</b>
Total Deferred Tax Liability (Net)	-	-

Particulars	₹ in Lakhs		
	AeMPL	ADSL	Total
Timing Difference due to Depreciation in the Book	(0.93)	1.19	0.25
Expenses debited to Profit and Loss account in the current period but allowed for the tax purpose in subsequent assessment years based on payment	1.49	30.81	32.31
Total Deferred tax assets	0.56	32.00	32.56

## Note 45 : Employee Benefits

**Compensated absences:-** The leave obligation covers the Group's liability for earned leave. Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as current employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

### Defined benefit plans

The Group offers the following employee benefit schemes to its employees:

#### Gratuity

The Group 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 salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The Group 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.

## Notes forming part of Consolidated Financial Statements as at March 31, 2023

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	₹ in Lakhs		
	Present value of obligation	Fair Value of plan assets	Net Amount
<b>April 01, 2021</b>	469.34	4.95	464.39
Current Service Cost	57.57	-	57.57
Past service cost	1.56	-	1.56
Mortality Charges & Taxes	-	(2.47)	2.47
Interest Expense/(income)	30.21	0.31	29.90
<b>Total amount recognised in profit or loss</b>	<b>89.34</b>	<b>(2.16)</b>	<b>91.50</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.07	(0.07)
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(1.27)	-	(1.27)
Experience (gains)/losses	(46.33)	-	(46.33)
<b>Total amount recognised in other comprehensive income</b>	<b>(47.60)</b>	<b>0.07</b>	<b>(47.67)</b>
Employer contributions		17.00	(17.00)
Benefit Payments	(18.00)	(18.00)	-
<b>March 31, 2022</b>	<b>493.07</b>	<b>1.86</b>	<b>491.21</b>

	₹ in Lakhs		
	Present value of obligation	Fair Value of plan assets	Net Amount
<b>April 01, 2022</b>	493.07	1.86	491.21
Current Service Cost	61.99	-	61.99
Past service cost	3.80	-	3.80
Mortality Charges & Taxes	-	(2.42)	2.42
Interest Expense/(income)	31.48	1.18	30.29
<b>Total amount recognised in profit or loss</b>	<b>97.27</b>	<b>(1.24)</b>	<b>98.50</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	0.43	(0.43)
(Gain)/loss from change in demographic assumptions	0.18	-	0.18
(Gain)/loss from change in financial assumptions	(0.56)	-	(0.56)
Experience (gains)/losses	12.65	-	12.65
<b>Total amount recognised in other comprehensive income</b>	<b>12.27</b>	<b>0.43</b>	<b>11.84</b>
Employer contributions		44.31	(44.31)
Benefit Payments	(19.64)	(15.64)	(4.00)
<b>March 31, 2023</b>	<b>582.97</b>	<b>29.72</b>	<b>553.23</b>

# Notes forming part of Consolidated Financial Statements

## as at March 31, 2023

The net liability disclosed above relates to funded and unfunded plans as follows:

	₹ in Lakhs	
	March 31, 2023	March 31, 2022
Present Value of funded obligations	582.97	493.07
Fair value of plan assets	29.72	1.86
<b>Deficit of gratuity plan</b>	<b>553.25</b>	<b>491.21</b>
Unfunded Plans	27.51	23.27
Funded Plans	525.74	467.94

Valuation in respect of Gratuity has been carried out by Independent actuary, as at the Balance Sheet date, based on the following assumptions:

### Autoline Industries Ltd (Holding Company)

Particulars	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
Discount rate (Per Annum)	7.50%	7.30%
Expected rate of return on plan assets (Per Annum)	7.30%	6.90%
Rate of escalation in salary (Per Annum)	8.00%	8.00%
Mortality Table referred	IALM(2012-14) ult	IALM(2012-14) ult
Age Withdrawal Rate %	2%	2%
Expected average remaining working lives of employees (in years)	15.26	15.30

### Autoline Design Software Ltd. (Subsidiary Company)

Particulars	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
Discount rate (Per Annum)	7.50%	7.30%
Rate of escalation in salary (Per Annum)	8.00%	8.00%
Expected rate of return on plan assets (Per Annum)	0.00%	0.00%
Mortality Table referred	IALM(2012-14) ult	IALM(2012-14) ult
Age Withdrawal Rate %	2.00%	1.00%
Expected average remaining working lives of employees (in years)	17.23	17.02

### Autoline E-Mobility Pvt. Ltd. (Subsidiary Company)\*

Particulars	₹ in Lakhs	
	March 31, 2023	
	Gratuity	
Discount rate (Per Annum)	7.50%	
Rate of escalation in salary (Per Annum)	8.00%	
Expected rate of return on plan assets (Per Annum)	0.00%	
Mortality Table referred	IALM(2012-14) ult	
Age Withdrawal Rate %	2.00%	
Expected average remaining working lives of employees (in years)	16.30	

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present Value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

The sensitivity of the Present Value of obligation to changes in the weighted principal assumptions is as follows:

### Change in assumptions and impact on Present Value of obligation as at March 31, 2023

₹ in Lakhs

Particulars	Change in assumption (in %)	Impact on defined benefit obligation (in %)	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(31.16)	101.47
Salary growth rate	1%	91.71	(24.64)
Withdrawal Rate	1%	27.74	31.95

### Change in assumptions and impact on Present Value of obligation as at March 31, 2022

₹ in Lakhs

Particulars	Change in assumption (in %)	Impact on defined benefit obligation (in %)	
		Increase in assumption, Increase/ (Decrease) in liability	Decrease in assumption, Increase/ (Decrease) in liability
Discount rate	1%	(54.33)	68.49
Salary growth rate	1%	60.86	(49.83)
Withdrawal Rate	1%	(1.25)	5.38

The above sensitivity analysis are 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 while calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

## Category of Planned assets

### Autoline Industries Ltd (Holding Company)

	March 31, 2023	March 31, 2022
Funds Managed by insurer	100%	100%

The company maintains gratuity fund, which is being administered by LIC. Fund value confirmed by LIC as at March 31, 2023 is considered to be fair value.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Autoline Design Software Ltd. (Subsidiary Company)

	March 31, 2023	March 31, 2022
Funds Managed by insurer	0%	0%

The Company has not funded the liability as on March 31, 2023

## Autoline E-Mobility Pvt. Ltd. (Subsidiary Company)\*

	March 31, 2023	March 31, 2022
Funds Managed by insurer	0%	0%

The Company has not funded the liability as on March 31, 2023

## Defined Benefit liability and employer contributions

The expected contributions to post-employment benefit plans for the year ended March 31, 2023 is ₹553.25 Lakh

## The following payments are expected contributions to defined benefit plan in future years

The weighted average duration of the plan for Autoline Industries Ltd (Holding Company) is 16 years.

The weighted average duration of the plan for Autoline Design Software Ltd. (Subsidiary Company) is 15.6 years.

The weighted average duration of the plan for Autoline E-mobility Pvt Ltd. (Subsidiary Company)\* is 17.38 years.

## Expected Future Benefit Payments:

	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Autoline Industries Limited</b>		
Defined Benefit Oligation		
Less than a year	49.05	18.77
Between 1-2 years	24.74	22.51
Between 2-5 years	79.11	78.28
Over 5 years	370.28	284.84
<b>Total</b>	<b>523.18</b>	<b>404.40</b>
<b>Autoline Design Software Limited</b>		
Defined Benefit Oligation		
Less than a year	0.55	0.27
Between 1-2 years	0.66	0.32
Between 2-5 years	2.71	1.39
Over 5 years	9.86	6.88
<b>Total</b>	<b>13.78</b>	<b>8.86</b>
<b>Autoline E-mobility Private Limited*</b>		
Defined Benefit Oligation		
Less than a year	0.05	-
Between 1-2 years	0.06	-
Between 2-5 years	0.93	-
Over 5 years	4.04	-
<b>Total</b>	<b>5.08</b>	<b>-</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Risk Exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below :

1. **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.

2. **Salary inflation risk:**

Higher than expected increases in salary will increase the defined benefit obligation.

3. **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.

4. **Asset-Liability Mismatch Risk:**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

5. **Discount Rate Risk:**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

6. **Future Salary Escalation and Inflation Risk :**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

7. **Asset Risks:**

All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years.

The company has opted for a traditional fund where in all assets are invested primarily in risk averse markets.

The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

\*The company was incorporated on 03 March, 2022 & hence this being the first financial year there are no corresponding figures of previous year

B) **Defined Contribution Plan**

The Group has certain defined contribution plans. Contributions are made to provident fund in India at the rate of 12% as per local regulations. The contributions are made to the provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual or any constructive obligation. The Group

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

also has liability to contribute to other defined contribution plans. The Group has recognised the following amounts in the statement of Profit and Loss.

Particulars	₹ in Lakhs	
	As at March 31, 2023	As at March 31, 2022
Contribution to Provident Fund	136.46	117.91
Contribution to Labour Welfare Fund	0.45	0.35
Contribution to Employee's State Insurance Scheme	40.75	36.72

## Note 46 : Interest in other entities

### Subsidiaries

The group's subsidiary as at March 31, 2023 is set out below. Unless otherwise stated, it has share capital consisting solely of equity shares that are held directly by the Group, and the proportion of the ownership interest held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the Entity	Place of business / country of incorporation	Ownership held by the Group		Principal Activities
		March 31, 2023 %	March 31, 2022 %	
Autoline Design Software Ltd.	India	100	100	Services of design & engineering
Autoline Industrial Parks Ltd.	India	43.26 1.52*	43.26 1.52*	Developing Township Projects, etc
Autoline E-Mobility Pvt Ltd	India	100	-	E-vehicles
Koderat Investments Ltd.	Cyprus	100	100	Acting as Special Purpose Vehicle
Autoline Locomotive Parts LLP (Strike off w.e.f March 30, 2023)	India	-	65	Business with Indian Railways

\* held through subsidiary (Autoline Design Software Limited)

### Significant Judgement - Control assessment

As per the control assessment done, the directors have concluded that the Autoline Industries Ltd. (AIL) have power to direct relevant activities of Autoline Design Software Ltd., Autoline Industrial Parks Ltd., Autoline Locomotive Parts LLP and Koderat Investments Ltd. Relevant facts mentioned below:

**Autoline Design Software Ltd (ADSL):-** AIL holding entire share capital of the Company and accordingly it is classified as Subsidiary

**Autoline Industrial Parks Ltd (AIPL):-** AIL has power to control the composition of board of directors of AIPL and accordingly AIL has the power to direct the relevant activities of the investee and therefore, AIL controls AIPL

**Autoline E-Mobility Pvt Ltd (AEMPL) :-** AIL holding entire share capital of the Company and accordingly it is classified as Subsidiary

**Autoline Locomotive Parts LLP:-** AIL hold major share of 65% and had control over activities of Autoline Locomotive Parts LLP accordingly it has treated as subsidiary (Strike off w.e.f March 30, 2023)

**Koderat Investments Ltd.:-** AIL holding entire share capital of the Company and accordingly it is classified as Subsidiary



# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Non-controlling Interests (NCI)

Set out below is summarised financial information for the subsidiary that has non-controlling interests. The amounts disclosed for the subsidiary are before inter-company eliminations.

₹ in Lakhs

Particulars	Autoline Industrial Parks Ltd.	
	31 March 2023	31 March 2022
<b>Current Assets</b>	11,869.86	11,916.13
Current Liabilities	391.06	331.07
<b>Net Current Assets</b>	<b>11,478.80</b>	<b>11,585.06</b>
Non-current Assets	252.09	251.86
Non-current Liabilities	-	-
<b>Net Non-current Assets</b>	<b>252.09</b>	<b>251.86</b>
<b>Net Assets</b>	<b>11,730.88</b>	<b>11,836.92</b>
<b>Accumulated NCI</b>	<b>6,424.00</b>	<b>6,482.91</b>

## Summarised Statement of Profit and Loss

₹ in Lakhs

Particulars	Autoline Industrial Parks Ltd.	
	31 March 2023	31 March 2022
<b>Revenue</b>	-	-
Profit after tax for the year	(106.05)	(68.70)
Other Comprehensive Income(Net of tax)	-	-
<b>Total Comprehensive Income</b>	<b>(106.05)</b>	<b>(68.70)</b>
Profit allocated to NCI	(58.56)	(37.94)
Dividends paid to NCI	-	-
Accumulated NCI	6,424.00	6,482.91

## Summarised Cash Flow

₹ in Lakhs

Particulars	Autoline Industrial Parks Ltd.	
	31 March 2023	31 March 2022
Cash Flow from operating activities	(42.14)	(296.57)
Cash Flow from investing activities	19.41	28.34
Cash Flow from financing activities	21.86	268.40
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(0.87)</b>	<b>0.17</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 47 : Additional Information required by Schedule III

Name of the entity in the group	Net Assets (Total assets minus total liabilities)		Share in Profit or (loss)	
	As a % of consolidated net assets	Amount ₹ in Lakh	As a % of consolidated profit or loss	Amount ₹ in Lakh
<b>Parent</b>				
<b>Autoline Industries Ltd.</b>				
Balance as at March 31, 2023	44.12	6,143.87	140.86	1,488.15
Balance as at March 31, 2022	34.50	4,328.69	97.45	749.67
<b>Subsidiaries</b>				
<b>Indian</b>				
<b>1) Autoline Design Software Ltd.</b>				
Balance as at March 31, 2023	(0.16)	(22.27)	(31.83)	(336.24)
Balance as at March 31, 2022	2.49	312.14	11.50	88.45
<b>2) Autoline Industrial Parks Ltd.</b>				
Balance as at March 31, 2023	37.72	5,253.09	(4.50)	(47.49)
Balance as at March 31, 2022	40.81	5,120.66	(3.99)	(30.71)
<b>3) Autoline E-Mobility Pvt. Ltd.</b>				
Balance as at March 31, 2023	0.02	2.12	0.69	7.27
Balance as at March 31, 2022	-	-	-	-
<b>4) Autoline Locomotive Parts LLP</b>				
Balance as at March 31, 2023	-	-	-	-
Balance as at March 31, 2022	0.01	0.85	(0.02)	(0.15)
<b>Foreign</b>				
<b>1) Koderat Investments Ltd.</b>				
Balance as at March 31, 2023	(0.19)	(25.80)	0.31	3.32
Balance as at March 31, 2022	(0.23)	(29.12)	-	-
<b>Non Controlling interests in all subsidiaries</b>				
Balance as at March 31, 2023	46.13	6,424.00	(5.54)	(58.56)
Balance as at March 31, 2022	51.67	6,482.91	(4.94)	(37.99)
<b>Adjustments arising out of consolidation</b>				
Balance as at March 31, 2023	(27.64)	(3,849.03)	-	-
Balance as at March 31, 2022	(29.24)	(3,669.11)	-	-
<b>Total after elimination in account of consolidation- 2023</b>	<b>100.00</b>	<b>13,925.98</b>	<b>100.00</b>	<b>1,056.45</b>
<b>Total after elimination in account of consolidation- 2022</b>	<b>100.00</b>	<b>12,547.02</b>	<b>100.00</b>	<b>769.26</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

Continued..

Name of the entity in the group	Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated other comprehensive income	Amount ₹ in Lakh	As a % of consolidated total comprehensive income	Amount ₹ in Lakh
<b>Parent</b>				
<b>Autoline Industries Ltd.</b>				
Balance as at March 31, 2023	88.37	(10.47)	141.46	1,477.68
Balance as at March 31, 2022	93.12	44.40	97.20	794.07
<b>Subsidiaries</b>				
<b>Indian</b>				
<b>1) Autoline Design Software Ltd.</b>				
Balance as at March 31, 2023	1.40	(0.17)	(32.20)	(336.41)
Balance as at March 31, 2022	6.88	3.28	11.23	91.73
<b>2) Autoline Industrial Parks Ltd.</b>				
Balance as at March 31, 2023	-	-	(4.55)	(47.49)
Balance as at March 31, 2022	-	-	(3.76)	(30.71)
<b>3) Autoline E-Mobility Pvt. Ltd.</b>				
Balance as at March 31, 2023	10.23	(1.21)	0.58	6.06
Balance as at March 31, 2022	-	-	-	-
<b>4) Autoline Locomotive Parts LLP</b>				
Balance as at March 31, 2023	-	-	-	-
Balance as at March 31, 2022	-	-	(0.02)	(0.15)
<b>Foreign</b>				
<b>1) Koderat Investments Ltd.</b>				
Balance as at March 31, 2023	-	-	0.32	3.32
Balance as at March 31, 2022	-	-	-	-
<b>Non Controlling interests in all subsidiaries</b>				
Balance as at March 31, 2023	-	-	(5.61)	(58.56)
Balance as at March 31, 2022	-	-	(4.65)	(37.99)
<b>Total after elimination in account of consolidation- 2023</b>	<b>100.00</b>	<b>(11.85)</b>	<b>100.00</b>	<b>1,044.60</b>
<b>Total after elimination in account of consolidation- 2022</b>	<b>100.00</b>	<b>47.68</b>	<b>100.00</b>	<b>816.94</b>

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 48 : Assets Pledged as Security

Particulars	₹ in Lakhs	
	31 March 2023	31 March 2022
<b>Current</b>		
Financial Assets		
Factored Receivables	4,147.18	8,127.45
Other Receivables	3,223.84	2,695.12
Cash and cash equivalents	2.59	4.23
Fixed deposit with bank	682.29	684.03
<b>Non Financial Assets</b>		
Inventories	4,914.40	4,949.01
<b>Total Current assets pledged as security</b>	<b>12,970.30</b>	<b>16,459.84</b>
<b>Non-Current</b>		
Plant and Machinery	4,791.43	5,376.04
Building	4,393.53	4,869.48
Land	443.77	756.17
Others Assets	584.40	238.86
<b>Total Non-current assets pledged as security</b>	<b>10,213.13</b>	<b>11,240.55</b>
<b>Total Assets pledged as security</b>	<b>23,183.43</b>	<b>27,700.39</b>

## Note 49 : Covid-19

Covid-19 virus has impacted the entire global economy severely, resulting into many restrictions, including free movement of people, thereby hampering businesses and day to day functioning of the Companies. Consequently, in compliance of the orders of the Government, the Group's manufacturing plants and corporate office had to be closed for a certain period of time. The Board of Directors believe that they have taken into account all the possible effects of known events arising from Covid-19 pandemic and the resultant lockdowns in the preparation of financial statements including but not limited to strategic assessment of its financial position, liquidity, going concern, recoverable values of its assets etc. However, given the effect of these uncertainties arising due to Covid-19 and in particular, with reference to the Automobile & Auto-ancillary Industry, the impact assessment of Covid-19 on the financial statements is subject to certain significant estimations and based on uncertainties. The actual impact in future may deviate from those estimated as on the date of approval of these financial statements. The Group continues to monitor any material changes to future economic/ business conditions and its consequential impact on financial results.

## Note 50 : Code on Social Security, 2020

The Parliament of India has approved the Code on Social Security, 2020 which may have an impact on the contributions by the Group on Employee benefit expenses, Provident Fund, Insurance and Gratuity. Further, the Ministry of Labour and Employment, Government of India has published draft rules for the Code on Social Security, 2020 on November 13, 2020 and has solicited comments/ suggestions from the stakeholders. Accordingly, the Group will evaluate the impact of the said legislation and the Rules notified thereunder, and would eventually apportion the impact in its financial statements in the period in which the Code on Social Security, 2020 is enacted.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note : 51 Ratios

The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows:

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)	Reason
Current Ratio	Total current assets	Total current liabilities	0.97	0.88	10.32	Current ratio has improved as compared to previous year, mainly due to increase in receivables consequent to increase in volume.
Debt - Equity Ratio	Total debts	Shareholders equity	1.24	1.89	(34.13)	Debt equity ratio has improved due to increase in total equity on account of equity issue and current year profits.
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	1.64	0.65	153.92	Lesser repayment of long term debt in current year as compare to last year.
Return on Equity Ratio	Net profits after taxes	Average shareholders equity	7.96%	7.34%	8.48	Company has posted a net profit of ₹10.53 crore in current year as compared to net profit of ₹7.5 crore in previous year & equity warrant conversion resulting into decrease in ROE.
Inventory Turnover Ratio	Cost of goods sold	Average inventory	2.99	2.53	18.05	While average inventory has remained same in line with last year, higher consumption of materials has led to increase in turnover.
Trade Receivables Turnover Ratio	Net credit sales	Average trade receivables	6.98	7.32	(4.64)	Increase in revenue vis-à-vis average receivables resulted into decrease in ratio.
Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	7.18	6.24	15.07	Payables has increased as compare to last year, higher consumption of materials has led to increase in Purchase cost.
Net Capital Turnover Ratio	Net sales	Average working Capital	(33.07)	(13.60)	143.11	Sales turnover has increased by 14% YoY, however net working capital remains negative.
Net Profit Ratio	Net profit	Net sales	1.62%	1.35%	19.81	Company has posted a net profit of ₹10.53 crore in current year as compared to net profit of ₹7.5 crore in previous year & equity warrant conversion resulting into decrease in ROE.
Return on Capital Employed	Earnings before interest and taxes	Capital employed	7.51%	7.66%	(1.98)	EBIT has decreased by almost 12% YoY & repayment of loan resulting into favourable ratio.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance (%)	Reason
Return on Investment *	Income from invested funds	Weighted average invested funds	(5.12)%	(5.05)%	1.38	-

## Note : 52 Other Disclosures

The Group has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

The Group has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.

The Group has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

The Group has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

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 Group to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in paries identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

## Note 53 : Loans and Advances granted to specified person

- There are no transaction for Loans / Advance in the nature of loan - repayable on demand.
- There are no transaction for Loans / Advance in the nature of loan - without specifying any terms or period of repayment.

# Notes forming part of Consolidated Financial Statements

as at March 31, 2023

## Note 54 : Regrouping of Comparative Figures

The figures for the corresponding period / year have been regrouped and rearranged wherever necessary to make them comparable

In terms of our report attached  
For **Sharp & Tannan Associates**  
Chartered Accountants  
Firm Registration No.0109983W  
by the hand of

**CA Arnob Choudhuri**  
Partner  
Mem. No.(F) 156378

Place : Pune  
Date : May 18, 2023

For and on behalf of the Board of Directors

**Shivaji Akhade**  
Managing Director  
DIN:00006755

**Sudhir Mungase**  
Whole Time Director  
DIN:00006754

**Venugopal Rao Pendyala**  
Chief Financial Officer

**Shilpa Walunj**  
Company Secretary  
Mem.No. A38259





**Autoline Industries Limited**

CIN: L34300PN1996PLC104510

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