ARORA GUPTA & Co.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To
The Members of
Shivalik Engineered Products Private Limited
(Formerly known as **Checon Shivalik Contact Solutions Private Limited)**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Shivalik Engineered Products Private Limited** (Formerly known as **Checon Shivalik Contact Solutions Private Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Cash Flow, the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information. (hereinafter referred as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including the Annexures to Board's Report obtained at the date of this auditor's report, but does not include the

ARORA GUPTA & CO. PARTNER

financial statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of Auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact, we have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income) , changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under 133 of the Act.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and board of directors are responsible for assessing the company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for Audit of Financial Statements

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

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

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

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

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

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

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

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

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.

ARORA GUPTA & CO.
PARTNER
M.No. 514828
Chartered Accountants

Report on Other Legal and Regulatory Requirements

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

2. We report that, as required by section 143(3) of the Act:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. The Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

e. On the basis of written representations received from the directors as on 31st March, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.

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

g. With respect to the matter to be included in the Auditors' Report under Section 197 of the Act, in our opinion and according to the information and explanations given to us, the company has paid remuneration in excess of the limit prescribed by section 197 which is subject to Authorization at general meeting by passing a Special Resolution.

h. 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 no pending litigations which would impact the financial position of the company;
    ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    iii. there were no amounts which are required to be transferred to the Investor education and protection fund by the company.

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3.

(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.

4. The Company has not declared or paid dividend during the year.

For Arora Gupta & Co.
Chartered Accountants
Firm Registration No:- 021313C

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

Amit Arora
Partner
Membership No. 514828
ICAI UDIN No.23514828BGQAAJ5740

Place: New Delhi
Dated: 10/05/2023

Annexure- A to the Independent Auditor's Report

The Annexure referred to in Independent Auditors Report of even date to the members of the Company on the Ind AS financial statements for the year ended 31st March 2023.

To the best of our information and according to the explanation provided to us by the company and books of account and records examined by us in the normal course of audit, we state that:

(i)a. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.

b. The Company has a program of physical verification of Property, Plant and Equipment which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the Property, Plant and Equipment have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. The title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) a. Physical verification of inventory has been conducted at reasonable intervals by the management and no Material discrepancies were noticed on such verification.
In our Opinion, the coverage and procedure of such verification by the management is appropriate.

b. The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks on the basis of security of current assets and on the basis of our examination and according to the information and explanation given, monthly/ quarterly returns or statements filed by the company with such banks are in agreement with the books of account.

(iii) The Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other party, hence reporting requirements under clause 3(iii) (a) to (f) are not applicable to the company.

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

a. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c. The company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

d. On an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

e. The company has 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. The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised moneys by way of initial public offer or further public

ROHA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

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

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

(c) There are Nil whistle blower complaints received by the Company during the year (and upto the date of this report).

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards

(xiv) Internal audit system is not mandated as per Section 138 of the Act accordingly reporting requirements under clause 3 (xiv) (a) & (b) are not applicable to the company.

(xv) 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 provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) & (c) of the Order is not applicable.

(b) In our Opinion, there is no Core Investment Company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is also not applicable

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

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

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

ARORA GUPTA & CO. PARTNER M.No. 0?4828 Chartered Accountants the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) a. In Our opinion, provisions contained in second proviso to sub-section (5) of section 135 of Companies Act 2013, as amended are not applicable to the company accordingly there are no reporting requirements under clause 3(xx) (a)of the order.

b. The reporting requirements under clause 3(xx) (b) are not applicable to the company.

For Arora Gupta & Co.
Chartered Accountants
Firm Registration No:- 021313C

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

Amit Arora
Partner
Membership No. 514828
ICAI UDIN No. 23514828BGQAAJ5740

Place: New Delhi
Dated: 10/05/2023

Annexure- B to the Independent Auditor's Report

(Referred to paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Innovative Clad Solutions Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Shivalik Engineered Products Private Limited** (Formerly known as **Checon Shivalik Contact Solutions Private Limited)** ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial 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

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Arora Gupta & Co.
Chartered Accountants
Firm Registration No:- 021313C

ARORA GUPTA & CO.
PARTNER
M.No-514828
Chartered Accountants

Amit Arora
Partner
Membership No. 514828
ICAI UDIN No. 23514828BGQAAJ5740

Place: New Delhi
Dated: 10/05/2023

SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED

(Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)

CIN .U31909DL2005PTC143154

(₹ in '000)

BALANCE SHEET	Notes	As at 31st March 2023	As at 31st March 2022
I. ASSETS			
Non-current assets			
(a) Property, Plant & Equipment	3	61,986	56,298
(b) Capital Work-In-Progress	3	37,246	3,232
(c) Right of Use Assets	3	3,069	840
(d) Other Non Current Assets	4	369	827
Total Non Current Assets		**1,02,670**	**61,197**
Current assets			
(a) Inventories	5	96,397	98,139
(b) Financial Assets			
(i) Trade receivables	6	1,32,380	1,21,241
(ii)Cash and cash equivalents	7	5,312	14,283
(iii) Others Financial Assets	8	1,106	1,201
(c) Current Tax Assets (Net)	9	702	240
(d) Other current assets	10	1,674	3,296
Total Current Assets		**2,37,571**	**2,38,400**
TOTAL ASSETS		**3,40,241**	**2,99,597**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	34,218	34,218
(b) Other Equity	12	1,45,401	1,27,097
Total Equity		**1,79,619**	**1,61,315**
Non-current liabilities			
(a) Financial Liabilites			
(i) Borrowings	13	13,017	14,200
(ii) Lease Liabilities	14	2,135	-
(b) Provisions	15	1,379	1,258
(c) Deferred tax liabilities (Net)	16	4,065	4,279
Total Non-Current Liabilities		**20,596**	**19,737**
Current liabilities			
(a) Financial Liabilites			
(i) Borrowings	17	44,077	45,609
(ii) Lease Liabilities	18	947	938
(iii) Trade payables			
(A) Total outstanding dues of micro, small and medium enterprises; and	19	14,224	7,494
(B) Total outstanding dues of creditors other than micro,small and medium enterprises.	19	67,027	54,520
(iv) Other Financial Liabilities	20	5,878	4,278
(b) Other current liabilities	21	7,030	5,426
(c) Provisions	22	843	280
Total Current Liabilities		**1,40,026**	**1,18,545**
TOTAL EQUITY AND LIABILITIES		**3,40,241**	**2,99,597**
III. The accompanying notes form an integral part of the financial statements.	1 to 38		

As per our report of even date
For Arora Gupta & Co.
Chartered Accountants
Firm Registration No: 021313C

Amit Arora
Partner
M. No: .514828

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

Place : New Delhi
Date : May 10, 2023

For and on Behalf of the Board

Sumer Chumman
(Managing Director)
00705941

Kanav Anand
(Director)
01924436

Lalit Mohan
(General Manager)

SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED

(Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)

CIN .U31909DL2005PTC143154

(₹ in '000, except per share data)

	Statement of Profit & Loss for the	Notes	Year Ended 31st March 2023	Year Ended 31st March 2022
I	Revenue from operations	23	5,01,179	4,80,422
II	Other income	24	89	1,783
III	**Total Revenue (I + II)**		**5,01,268**	**4,82,205**
IV	**Expenses**			
	(a) Cost of materials consumed	25	3,87,129	3,78,341
	(b) Changes in Inventories of Finished Goods and Work-In-Progress	26	4,810	(5,646)
	(c) Employee benefits expense	27	38,913	33,206
	(d) Finance costs	28	3,964	4,473
	(e) Manufacturing & Other expenses	29	32,471	25,720
	(f) Depreciation & Amortisation	3	7,991	7,981
	Total expenses		**4,75,278**	**4,44,075**
V	**Profit before Exceptional items and tax (III-IV)**		**25,990**	**38,130**
VI	Exceptional items (Income)/Expenses		-	-
VII	**Profit/(loss) before tax (V - VI)**		**25,990**	**38,130**
VIII	**Tax expense**			
	(a) Current tax		8,001	11,109
	(b) Mat Credit related to previous years		(105)	(231)
	(c) Current tax related to previous years		-	-
	(d) Deferred tax Assets (Income)/Expenses		(214)	108
	Total		**7,682**	**10,986**
IX	**Profit/(Loss) for the years (VII-VIII)**		**18,308**	**27,144**
X	**Other Comprehensive Income**			
	i. Items that will not be reclassified to Statement of Profit and Loss			
	- Remeasurement of defined benefit obligation		(5)	325
	- Income tax on above		1	(91)
XI	**Total Comprehensive Income for the Period (IX+X)**		**18,304**	**27,378**
XII	**Earnings per equity share**			
	(a) Basic	31	5.35	7.93
	(b) Diluted	31	5.35	7.93
XIII	The accompanying notes form an integral part of the financial statements.	1 to 38		

As per our report of even date
For Arora Gupta & Co.
Chartered Accountants
Firm Registration No: 021313C

Amit Arora
Partner
M. No: .514828

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

For and on Behalf of the Board

Sumer Ghumman
(Managing Director)
00705941

Kanav Anand
(Director)
01924436

Lalit Mohan
(General Manager)

Place : New Delhi
Date : May 10, 2023

SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED

(Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)

CIN .U31909DL2005PTC143154

(₹ in '000)

Cash Flow Statement for the	Year Ended 31st March 2023	Year Ended 31st March 2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	25,990	38,130
Adjustments for:		
Depreciation and amortisation expense	7,991	7,981
Interest Expense	3,964	4,473
Interest Income	(2)	(1)
Loss Allowance for doubtful receivables	37	990
Unrealised foreign exchange loss/(gain) on borrowings	(128)	229
(Profit)/Loss on sale of Property,Plant and Equipment (Net)	113	-
Operating Profit before Working Capital changes	37,966	51,802
Adjustment for :		
Trade and other receivables	(11,176)	15,433
Inventories	1,741	(14,864)
Trade Payables	19,237	(18,571)
Other Financial Assets	1,713	6,751
Other Liabilities	3,204	(478)
Provisions	679	198
Cash generated from operations	53,364	40,272
Income Tax Received	(7,895)	(10,969)
Net Cash flow from operating Activities (A)	45,469	29,302
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payment for Property, Plant and Equipment & Intangible assets including CWIP	(47,142)	(15,027)
Proceeds from Sale of Property Plant and Equipment	263	-
Interest Received	2	1
Net cash (used in)/ from investing activities (B)	(46,877)	(15,026)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Bank Borrowings	(2,587)	(3,306)
Term Loan	-	14,200
Vehicle Loan	-	(72)
Unsecured Loan	-	(5,711)
Interest Paid	(3,964)	(4,473)
Payment of Principal of Lease	(1,012)	(921)
Net Cash (used in) from financing activities (C)	(7,563)	(283)
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(8,971)	13,993
Cash and Cash equivalents as on 1st April 2022 (Opening Balance)	14,283	290
Cash and Cash equivalents as on 31st March , 2023 (Closing Balance)	5,312	14,283

The accompanying notes form an integral part of the financial statements. 1 to 38

As per our report of even date

For Arora Gupta & Co.

Chartered Accountants

Firm Registration No: 021313C

Amit Arora

Partner

M. No: .514828

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

Place : New Delhi

Date : May 10, 2023

For and on Behalf of the Board

Sumer Ghumman
(Managing Director)
00705941

Kanav Anand
(Director)
01924436

Lalit Mohan
(General Manager)

SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED

(Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)
CIN .U31909DL2005PTC143154

Statement of Changes in Equity

A. Equity Share Capital

(₹ in '000)

Balance as at 1st April, 2021	Movement During the Year	As at 31st March 2022	Movement During the Year	As at 31st March 2023
34,218	-	34,218	-	34,218

B. Other Equity

Particulars	Other Comprehensive Income	Retained Earnings	Total
Balance as at 1st April, 2021	(558)	1,00,276	99,718
Profit for the year	-	27,144	27,144
Other Comprehensive income for the year (net of tax)	235	-	235
As at 31st March 2022	(323)	1,27,420	1,27,097
Profit for the year	-	18,308	18,308
Other Comprehensive income for the year (net of tax)	(4)	-	(4)
As at 31st March 2023	(327)	1,45,728	1,45,401

The accompanying notes form an integral part of the financial statements. 1 to 38

As per our report of even date
For Arora Gupta & Co.
Chartered Accountants
Firm Registration No: 021313C

Amit Arora
Partner
M. No: .514828

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No.-514828

For and on Behalf of the Board

Sumer Chumman
(Managing Director)
00705941

Kanav Anand
(Director)
01924436

Lalit Mohan
(General Manager)

Place : New Delhi
Date : May 10, 2023

Notes forming part of Financial Statements for the year ended 31st March 2023.

The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable,

1. COMPANY'S OVERVIEW

Shivalik Engineered Products Private Limited (formerly known as Checon Shivalik Contact Solutions Private Limited) is engaged in the business of manufacturing & sales of various types of Electrical Contacts at its manufacturing facilities situated in Kandaghat, Distt. Solan, Himachal Pradesh. Electrical contacts have various applications for switchgears and circuit protection industry.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below.

2.1 Statement of Compliance with Ind ASs

The financial statements of the Company have been prepared in accordance with the Indian Accounting standards ('Ind AS'), notified under Section 133 read with rule 3 of Companies (Indian Accounting Standards) Rules 2015, and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions of the Companies Act, 2013 (Collectively, "Ind ASs").

2.2 Basis of Preparation of Financial Statements

These Financial Statements are prepared, under the historical cost convention on the accrual basis except for certain Financial Instruments which are measured at Fair Value in accordance with Ind AS 113.

Accounting policies and procedures have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.3 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period.

Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Accounting estimates could change from period to period. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include primarily useful lives of property, plant and equipment, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.4 Revenue Recognition

Revenue is recognized upon satisfaction of the performance obligation by transferring the control promised product or provision of service to a customer in an amount that reflects the consideration which a company expects to receive in exchange for those products or service.

Income from Interest is recognised using Effective Interest rate method.

Export Incentive Entitlements are recognised as Income when right to receive credit as per the terms of the scheme is established in respect of eligible exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Use of significant judgements in revenue recognition

The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products /services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

The Company exercises judgement in determining whether the performance obligation is satisfied at a appoint in time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

ARORA GUPTA & CO.
PARTNER
M.No.-514828
Chartered Accountants

Notes forming part of Financial Statements for the year ended 31st March 2023.

2.5 Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee (" ₹ ") which is the currency of the primary economic environment in which the Company operates.

The transactions in the currencies other than the entity's functional currency (foreign currency's) are accounted for at the exchange rate prevailing on the transaction's date.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date and the resultant difference is charged/ credited in Statement of Profit & Loss account.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Additionally, exchange gains or losses on foreign currency borrowings taken prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated on reporting date.

2.6 Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.

Borrowing costs include interest and exchange difference arising from currency borrowing to the extent they are regarded as an adjustment to the interest cost.

2.7 Governments Grant and Assistance

Government grants are assistance by government in the form of transfer of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity and the same are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the years in which the company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Grants relating to purchase of Property, Plant and Equipment are presented by deducting the grant from carrying amount of related assets.

2.8 Employees' Benefits

Defined Contribution Plans:

The Company has contributed to State Governed Provident Fund scheme, Employees State Insurance scheme and Employee Pension Scheme which are defined contribution plans. Contribution paid or payable under the scheme is recognized as expense during the period in which employees have rendered the service entitling them to the contributions.

Defined Benefit Plans:

The employees' gratuity is a defined benefit plan. The present value of the obligation under such plan is determined based on the Actuarial Valuation using the projected unit credit method which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation. The Company has an employee gratuity fund managed by Life Insurance Corporation of India (LIC). The gains or losses are charged to Profit and Loss Account.

Liability in respect of leave encashment is provided based on Actuarial Valuation using the projected unit credit method.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income

2.9 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of taxable income and tax credits/ benefits computed in accordance with the provisions of the Income Tax Act 1961.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the balance sheet date.

ARORA GUPTA & CO. PARTNER Chartered Accountants

2.10 Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts, if any and rebates, import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing cost attributable to the Qualifying Asset.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses., if any.

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the
cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on estimate of their specific useful lives.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

Capital work-in-progress represents the cost of Property Plant and Equipment that are not yet ready for their intended use at the reporting date.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Cost of in-house assembled/fabricated fixed assets comprise those costs that relate directly to the specific assets and other costs that are attributable to the assembly/fabrication thereof.

Depreciation on Fixed Assets is provided based on useful life of assets as prescribed in Schedule-II to Companies Act 2013 except in respect of followings assets where estimated useful life is different than these mentioned in Schedule II are as follows:-

i) Plant & Machinery *	15-25 years
ii) Dies & Tools	2-5 years
iii) Assets costing below Rs. 5,000/-	1 year
iv) Intangibles	5 years

* For certain Plant & Machineries where the useful life of assets is different from those prescribed under Part C of Schedule II of Companies Act 2013, an internal assessment & Independent technical evaluation has been carried out by external Chartered Engineer. The management believes that the useful lives as given above, best represents the period over which Company expects to use these assets.

2.11 Intangible Assets

Intangible assets are recorded at consideration paid for acquisition of such assets and are carried at cost less accumulated depreciation or amortization and impairment, if any. Amortization is recognized on a straight-line basis over their estimated useful lives.

Estimated useful life of Intangibles are as follows;

i) Computer Software	3 Years

2.12 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

Cost of Inventories are determined as follows;

--- Raw materials and Stores & Spares are valued at costs on "First in First Out" basis.

---WIP/Semi-finished goods are valued at weighted average costs of the raw materials plus related cost of conversion including appropriate overheads;

---Finished goods are valued at cost or net realizable value, whichever is lower.

---Scrap is valued at cost or net realizable value whichever is less.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised, any write-down of inventory to net realisable value (NRV) is recognised as expense in the period when write down occures and reversed in which the reversal occures. Raw Material and other supplies held for use in the production of finished products are not written down below cost , except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value . The comparison of cost and net realisable value is made on item by item basis.

2.13 Impairment of non financial assets

The Carrying amounts of assets are reviewed at each Balance Sheet date and if there is any indication to the effect that the recoverable amount of the Asset/ CGU (Cash Generating Unit) is less than its carrying amount, the difference is treated as "Impairment Loss". The recoverable amount is greater of the asset's net selling price and value in use.

2.14 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

ARORA GUPTA & CO. * PARTNER M.No. 514828 * Chartered Accountants

Notes forming part of Financial Statements for the year ended 31st March 2023.

2.15 Cash Flow Statements

Cash flows are reported using the indirect method, whereby Profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

2.16 Financial Instruments

Financial Assets

A. Initial Recognition and Measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI).

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 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); or

Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk lifetime ECL is used.

Financial Liabilities

A. Initial Recognition and Measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

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

Derecognition of Financial Instruments

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

C. Derivative Financial Instruments/ Hedge Accounting

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, in the form of foreign exchange forward contracts. These are classified as Fair Value hedge and accounted for accordinlgy. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss.

2.17 Earnings Per share

Basic Earnings per Share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of Equity Shares outstanding during the period.

2.18 Provision and Contingent Liabilities

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if

a. the company has a present obligation as a result of past event,
b. a probable outflow of resources is expected to settle the obligation; and
c. the amount of the obligation can be reliably estimated.

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
ii. a present obligation arising from past events, when no reliable estimate is possible; and
iii. a possible obligation arising from past events where the probability of outflow of resources is not remote.

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

ARORA GUPTA & CO. PARTNER M.No. Chartered Accountants

2.19 Leases- Accounting Policy

The Company assesses whether a contract contains a lease, at inception of a contract.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

Company as lessee

i) the contract involves the use of an identified asset

ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

Right-of Use Assets (ROU)

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Lease Liabilities

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Short Term Leases are Leases for Low Value Assets

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.20 Critical Accounting Judgements and Key Source of Estimation of Uncertainity

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Key Source of estimation uncertainity

(i) Useful lives of property, plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

(ii) Provisions

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

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No. [illegible]

(iii) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

(iv) Impairment of financial assets

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

(v) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystalising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

(vi) Fair Value Measurement

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

B. Critical Accounting Judgements

(i) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(ii) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.21 Recent accounting pronouncements

Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA"), notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

IndAS16-Property Plant and equipment- The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

IndAS37-Provisions, Contingent Liabilities and Contingent Assets- The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1,2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

ARORA GUPTA & CO. PARTNER M.No.-514828 Chartered Accountants

SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED
(Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)

Notes on Financial Statements

3. Property, Plant & Equipment

(₹ in '000)

Particulars	Leasehold Land	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total	Intangible Assets	Right of Use Assets
Cost/Deemed Cost								
As at 1st April 2021	-	88,231	3,246	5,372	2,659	99,508	36	2,749
Additions	6,524	5,026	45	-	301	11,896	-	-
Disposals	-	-	-	-	54	54	-	-
Capitalised during the year	-	-	-	-	-	-	-	-
As at 31st March 2022	6,524	93,257	3,291	5,372	2,906	1,11,350	36	2,749
Additions	4,835	6,832	675	-	704	13,046	81	3,157
Disposals	-	-	-	828	188	1,016	-	-
Capitalised during the year	-	-	-	-	-	-	-	-
As at 31st March 2023	11,359	1,00,089	3,966	4,544	3,422	1,23,380	117	5,906
Accumulated depreciation								
As at 1st April 2021		40,943	2,627	2,164	2,307	48,041	36	993
Depreciation charged for the year	48	6,168	138	545	166	7,065	-	916
On disposals		-	-	-	54	54	-	-
As at 31st March 2022	48	47,111	2,765	2,709	2,419	55,052	36	1,909
Depreciation charged for the year	78	6,126	118	464	269	7,055	8	928
On disposals	-	-	-	452	188	640	-	-
As at 31st March 2023	126	53,237	2,883	2,721	2,501	61,467	44	2,837
Net block								
As at 31st March 2023	11,233	46,853	1,083	1,823	921	61,913	73	3,069
As at 31st March 2022	6,476	46,146	526	2,663	487	56,298	-	840

3.1 Property, plant and equipment is hypothicated against borrowings (refer note no.17)

3.2 Capital Work -in- Progress ageing schedule for the year ended March 31,2023 and March 31,2022 is as follows

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	3,232	101
Additions during the year	34,474	3,232
Capitalised during the year	461	101
Closing Balance	37,246	3,232

Particular	Amount in CWIP for a period of				Total
	Less then 1 years	1-2 years	2-3 years	More than 3 years	
* Project in Progress (New Site Development)	34,475 (3,232)	2771 -			37,246 (3,232)
Total Capital Work -in- Progress	34,475 (3,232)	2,771 -	-	-	37,246 (3,232)

(previous year figures are in bracket)

* Includes Borrowing Cost transferred during the year aggregated to ₹1,373 thousand (Previous Year: ₹Nil). (refer note no.28)

ARORA GUPTA & CO. * Chartered Accountants * PARTNER M.No. 514828

Notes on Financial Statements

4. Other Non Current Assets

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Security Deposits		
Goverment Undertakings / Authorities at Cost	84	74
Goverment Undertakings / Authorities at Fair Value	100	100
Others	30	31
Mat Credit Entititlement	-	613
Prepaid Expenses	90	9
Capital Advances	65	-
	369	827

5. Inventories

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Raw Materials	52,844	50,055
Work-in-Progress	32,227	33,784
Finished goods	8,701	10,717
Stores, Spares and Packing Material	2,226	1,947
Scrap	399	1,636
	96,397	98,139
Material in Transit (included in Inventories, above)		
i) Raw Material	20,153	14,096
	20,153	14,096

6. Trade Receivables

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
'Secured, Considered Good*	2,333	7,598
Unsecured, Considered Good		
Related Party	-	-
Others	1,30,047	1,13,643
Unsecured,Considered Doubtful	143	165
Less: Allowances for Credit Losses**	(143)	(165)
	1,32,380	1,21,241

Trade receivable ageing schedule as at 31st March 2023

(₹ in 000)

Particular	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,13,004	19,345	31	-	-	-	1,32,380
(ii) Undisputed Trade Receivables - considered doubtful		-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good		-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful		-	-	-	-	-	-

Trade receivable ageing schedule as at 31st March 2022

(₹ in 000)

Particular	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,04,816	16,359	52	13	-	-	1,21,241
(ii) Undisputed Trade Receivables - considered doubtful		-	-	-	-	-	
(iii) Disputed Trade Receivables considered good		-	-	-	-	-	
(iv) Disputed Trade Receivables considered doubtful		-	-	-	-	-	

* Secured by Letter of credit

**'In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the legal action initated.

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No.-514828

Notes on Financial Statements

(i) Movements in allowance of credit losses of receivables;

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Balance at the beginning of the Year	165	505
Charge in Statement of Profit and Loss	37	990
Release to Statement in Profit and Loss (Written Back)	(29)	(369)
Utilised during the Year*	(30)	(961)
Balance at the end of the Year	143	165

*During the year, the Company has written off Irrecoverable Trade Receivables aggregating to 30 thousands (Previous Year 961 thousands).

7. Cash and Cash Equivalents

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Balances with banks in		
- Current Accounts	5,255	14,199
Cash on hand	30	59
Fixed Deposit (including interest accrued)	27	25
	5,312	14,283

There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting period and prior periods.

8. Others Financial Assets

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Advances to Employees	6	101
Custom Duty Receivable*	1,100	1,100
	1,106	1,201

* Reported amount deposited by the Company, against demand raised as such considered refundable.

9. Current Tax Assets

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Income Tax Refundable	702	240
	702	240

10. Other Current Assets

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Unamortised cost of Tool	335	235
Prepaid Expenses	1,060	1,227
Balances with Revenue authorities	20	1,773
Advances to suppliers	62	6
Others	197	55
	1,674	3,296

11. Equity Share Capital

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Authorised Share Capital:		
Equity Shares of ₹ 10/- each	1,00,000	1,00,000
(No . Of Shares)	*(1,00,00,000)*	*(1,00,00,000)*
Issued Subscribed and Paid Up:		
Equity Shares of ₹ 10/- each fully paid up	34,218	34,218
(No . Of Shares)	*(34,21,800)*	*(34,21,800)*
Total	34,218	34,218

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No.-514028

Notes on Financial Statements

11.1 Reconciliation of Number of Shares

Particulars	Number of Shares	Amount
Balance as at 1st April, 2021	34,21,800	3,42,18,000
Shares Issued during the year	-	-
As at 31st March 2022	34,21,800	3,42,18,000
Shares Issued during the year	-	-
As at 31st March 2023	**34,21,800**	**3,42,18,000**

11.2 The Company has only one class of shares referred to as Equity shares having par value of ₹ 10/-. The holder of Equity Share is entitled to one vote per share.

11.3 In the event of liquidation of the Company, the residual interest in the company's assets shall be distributed to the share holders in the proportion to the equity shares held.

11.4 The company is wholly owned subsidiary of its Holding Company, M/s Shivalik Bimetal Controls Ltd.

11.5 Shareholders holding more than 5% shares

Name of Shareholders	Year Ended 31st March 2023		Year Ended 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shivalik Bimetal Controls Limited	34,21,800	100%	17,10,900	50%
			-	
Checon Corporation USA			17,10,900	50%

11.6 Shares held by promoters at the end of the year

Promoter Name	Year Ended 31st March 2023			Year Ended 31st March 2022		
	No. of Shares held	% of total shares	% Change during the year	No. of Shares held	% of total shares	% Change during the year
Shivalik Bimetal Controls Limited	34,21,799	99.99%	49.99%	17,10,900	50%	Nil
Satinderjeet Singh Sandhu*	1	0.01%	0.01%	-	-	Nil
Checon Corporation USA	-	-	50%	17,10,900	50%	Nil
Total	34,21,800	100%		17,10,900	100%	

* As nominee of M/s Shivalik Bimetal Controls Ltd.

12. Other Equity

(₹ in 000)

Particulars	Other Comprehensive Income	Retained Earnings	Total
Balance as at 1st April, 2021	(558)	1,00,276	99,718
Profit for the year	-	27,144	27,144
Other Comprehensive income for the year (net of tax)	235	-	235
As at 31st March 2022	**(323)**	**1,27,420**	**1,27,097**
Profit for the year	-	18,308	18,308
Other Comprehensive income for the year (net of tax)	(4)	-	(4)
As at 31st March 2023	**(327)**	**1,45,727**	**1,45,401**

13. Borrowings

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Secured		
From Banks		
Rupee Loan#	13,017	14,200
	13,017	**14,200**

Refer Note no. 17 for Current Maturities of long term borrowings.

#Secured by hypothecation of assets to be created under IND-GECLS 1.0 (Extension), and second charge over current and fixed assets created from the existing credit facilities.

14. Lease Liabilities (Non Current)

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Long term maturity of Lease Liability	2,135	-
	2,135	**-**

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No.-514828

Notes on Financial Statements

15. Provisions

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Provision for employee benefits		
-Unavailed Leave	1,379	1,258
	1,379	1,258

16. Deferred Tax Liabilities (Net)

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Deferred Tax Liabilities/ (Assets) in relation to		
Property, Plant and Equipment & Intangible assets	4,756	4,844
Unamortised Tool	93	66
Spares	(170)	(170)
Allowance for credit losses	(40)	(46)
Employee Benefits	(574)	(415)
Deferred Tax Liabilities/(Assets) (Net)*	4,065	4,279

Movement in deferred tax account for the year Income/(Expense)

(₹ in 000)

Particulars	Charged to PL during the year ended March 2023	Charged to PL during the year ended March 2022
Property, Plant and Equipment & Intangible assets	89	46
Unamortised Tool	(27)	3
Allowance for credit losses	(6)	(95)
Employee Benefits	158	(37)
Fair value Lease Rent	-	(25)
Total	214	(108)

17. Borrowings-Current

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Secured		
From Banks[i]		
Rupee Loan	8,899	-
Foreign Currency Loan	33,995	45,609
(a) Current maturities of long-term debt (due to bank) (refer note no 13)	1,183	-
	44,077	45,609

Foreign Curreny Loan of ₹33,995 thousand (Previous Year ₹ 27,024 thousand) from Indian Bank are secured by Hypothecation of Inventory and Book Debts and Corporate guarantee of holding Company.

Foreign Curreny Loan of Nil (Previous Year ₹18,585 thousand) and Rupee Loan of ₹ 8,899 thousand (Previous Year Nil) from DBS Bank are secured by first pari passu charge on the current assets of the company, both present and future & on movable fixed assets (other than those charged exclusively to other banks) of the Company, and Corporate guarantee of holding Company.

17.1 Changes in Liabilities arising from Financing Activities

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Borrowings at the beginning of the year		
Borrowings (Non Current) (refer note no.13)	14,200	5,782
Borrowings (Current) (refer note no.17)	45,609	48,686
Total Borrowings at the beginning of the year	59,809	54,468
Movement due to cash transactions as per the Statement of Cash flows	(2,587)	5,112
Movement due to non cash transactions		
Foreign Exchange Movement	(128)	229
Borrowings at the end of the year		
Borrowings (Non Current) (refer note no.13)	13,017	14,200
Borrowings (Current) (refer note no.17)	44,077	45,609
Total Borrowings at the end of the year	57,094	59,809

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No.-514828

Notes on Financial Statements

18. Lease Liabilities (Current)

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Lease Liability	947	938
	947	938

19. Trade Payable

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Micro, Small and Medium Enterprises	14,224	7,494
Related Parties (*refer note no.35*)	-	15,684
Others	67,027	38,836
	81,251	62,014

Trade payable ageing schedule as at 31st March 2023

(₹ in 000)

Particular	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	14,224	-	-	-	-	14,224
(ii)Others	66,985	23	-	19	-	67,027
(iii) Disputed dues – MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-

Trade payable ageing schedule as at 31st March 2022

(₹ in 000)

Particular	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	7,494	-	-	-	-	7,494
(ii)Others	53,570	262	-	-	688	54,520
(iii) Disputed dues – MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-

20. Other Financial Liabilities

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Interest accrued but not due on borrowings	-	114
(b) Interest accrued and due on borrowings	495	290
(c) Bonus Payable	1,397	1,139
(d) Expense Payable	3,305	2,735
(e) Retention Money Payable	681	-
	5,878	4,278

21. Other Current Liabilities

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(i) Statutory Dues	6,420	4,394
(ii) Advance From Customers	335	270
(iii) Derivative Financial Instrument	201	666
(iv) Government Grants	74	96
	7,030	5,426

Government grant was received for establishment of New Unit/ Expansion of existing unit as per the prescribed scheme. The grant received is recognised in profit and loss on a systematic basis over the period in which the company recognises as expense the related costs for which the grants are intended to compensate.

22. Provisions- Current

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Unavailed Leave	225	102
Gratuity (refer note no. 27.1)	618	178
	843	280

ARORA GUPTA & CO. PARTNER M.No. 514828 Chartered Accountants

Notes on Financial Statements

23. Revenue from Operations

(₹ in 000)

Particulars	Year Ended 31st March	Year Ended 31st March 2022
Sale of products	5,01,150	4,80,413
Sale of Services	29	9
	5,01,179	4,80,422

Revenue disaggregation by geography is as follows:

Geography

America	901	3,094
Europe	617	193
India	4,78,248	4,27,994
Others	21,413	49,141
	5,01,179	4,80,422

24. Other Income

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Interest Received on deposits with bank	2	1
(b) Liability no more payable, written back	36	58
(c) Deferred Government Grant Income	22	26
(d) Currency Fluctuation	-	1,122
(d) Insurance Claim	-	52
(e) Interest Income Of Income Tax refund	-	155
(f) Provision for doubtful debts, written back	29	369
	89	1,783

25. Cost of Materials Consumed

(₹ in 000)

Particulars	Year Ended 31st March	Year Ended 31st March 2022
Raw Material Consumed	3,87,129	3,78,341
	3,87,129	3,78,341

26. Decrease/(Increase) in Finished Goods and Work-in Process

(₹ in 000)

Particulars	Year Ended 2023	31st March	Year Ended	31st March 2022
Inventory (at Beginning)				
-Finished Goods	10,717		6,899	
-Work-in-Process	33,784		32,180	
-Scrap	1,636	46,137	1,412	40,491
Inventory (at Close)				
-Finished Goods	8,701		10,717	
-Work-in-Process	32,227		33,784	
-Scrap	399	41,327	1,636	46,137
(Increase)/Decrease		4,810		(5,646)

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No. [illegible]

Notes on Financial Statements

27. Employee Benefit Expenses

(₹ in 000)

Particulars	Year Ended 31st March	Year Ended 31st March 2022
(a) Salaries and Wages	32,944	28,014
(b) Contributions to -		
(i) Provident fund	1,879	1,623
(ii) ESI Contribution	140	152
(iii) Gratuity fund contributions	535	518
(c) Staff welfare expenses	3,415	2,899
	38,913	33,206

27.1 Disclosure pursuant to Ind AS 19 "Employee Benefits":

The disclosures required under Ind AS 19 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

(I) Defined Contribution Plan

(a) Provident Fund

(b) State defined contribution plans

-Employees' Pension Scheme 1995

The Provident Fund and State defined contribution plan are operated by the regional provident fund commissioner. Under the scheme, the company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. These funds are recognized by the Income tax authorities.

Contribution to Defined Contribution Plan, recognized are charged off for the year are as under:

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Employer's Contribution to Provident Fund	1,092	913
(b) Employer's Contribution to Pension Scheme	787	709

(II) Defined Benefit Plan

(a) Gratuity

The employees' Gratuity fund scheme has been managed by Life Insurance Corporation of India and the present value of obligation is determined by Independent Actuary using the Projected Unit Credit (PUC) Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Actuary has carried out the valuation based on the followings assumptions:

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Discounting Rate (per annum)	7.36%	7.18%
Rate of escalation in Salary (per annum)	6.00%	6.00%
Expected Rate of return on plan assets (per annum)	7.80%	7.80%
Expected Average remaining working lives of employees in no. of years	22.73	22.33
Mortality Table (LIC)	100% of IALM (2012-14) Ultimate	100% of IALM (2012-14) Ultimate

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Changes in Present Value of Obligation		
Opening balance of Present value of obligation	4,927	4,458
Interest Cost	354	303
Current Service Cost	522	462
Benefits Paid	-	-
Actuarial (Gain)/Loss on Obligation	14	(296)
Closing Balance of Present value of obligation	5,817	4,927

ARORA GUPTA & CO. * Chartered Accountants * PARTNER M.No.-514820

Notes on Financial Statements

(b) Changes in Fair Value of Plan Assets		
Opening balance of Fair Value of Plan Assets	4,750	4,004
Expected Return on Plan Assets	350	305
Employer's Contribution	100	440
Benefits paid	-	-
Closing balance of Fair value of Plan Assets	5,199	4,750
Actual return on Plan Assets	350	305
(c)Percentage of each category of Plan Assets to total Fair value of Plan assets		
Administrated by Life Insurance Corporation of India	100%	100%
(d) Reconciliation of Present Value of Defined Present obligations and the Fair Value of Assets		
Closing Balance of Present Value of Obligation	5,817	4,927
Closing Balance of Fair Value of Plan Assets	5,199	4,750
(Asset)/ Liability recognised the Balance Sheet	618	178
(e)Amount Recognised in the Balance Sheet		
Closing Balance of Present Value of Obligation	5,817	4,927
Closing Balance of Fair Value of Plan Assets	5,199	4,750
Funded (Asset)/ Liability recognized in the Balance Sheet	618	178
(f) Expenses recognised in the statement of Profit and Loss		
Current Service Cost	522	462
Interest Cost	13	31
Expenses recognized in the statement of Profit and Loss	535	493
Remeasurement of Defined Benefit Obligation		
Actuarial (Gain) / loss for the year on PBO	14	(296)
Actuarial (Gain)/Loss arising from experience adjustment	9	29
Unrecognized actuarial (gain)/Loss at the end of the year	5	(325)
(h) Expected employer contribution for the next year	684	518
(h)Sensitivity Analysis of the defined benefit obligation	-	-
a) Impact of the change in discount rate	-	-
Present value of the obligation at the end of the period	5,817	4,927
Impact due to increase of 0.50%	(391)	(347)
Impact due to decrease of 0.50%	428	382
b) Impact of the change in salary increase	-	-
Present value of the obligation at the end of the period	5,817	4,927
Impact due to increase of 0.50%	432	384
Impact due to decrease of 0.50%	397	(352)

i) Maturity Profile of Defined Benefit Obligation

Year	Year Ended 31st March 2023	Year Ended 31st March 2022
0 to 1 Year	140	114
1 to 2 Year	114	98
2 to 3 Year	112	95
3 to 4 Year	100	94
4 to 5 Year	212	84
5 to 6 Year	97	171
6 Year onwards	5,044	4,272

(b) Compensated Absence

The obligation for compensated absence is recognised in the same manner as Gratuity.

28. Finance Cost

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest expense on		
Borrowings	4,538	2,575
Other Finance costs	206	946
Interest Cost-Lease Rent	81	159
Exchange difference regarded as an adjustment to borrowing cost	512	793
	5,337	**4,473**
Less: Transferred to CWIP (refer note no. 3.2)	1,373	-
	3,964	**4,473**

ARORA GUPTA & CO. Chartered Accountants PARTNER M.No.

Notes on Financial Statements

29. Manufacturing & Other Expenses

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Stores & Spares Consumed	3,675	2,887
Power & Fuel	2,656	2,616
Machinery Repairs	1,290	1,183
Other Repairs	2,170	2,244
Insurance	353	412
Rent	1,283	600
Rates & Taxes	203	420
Travelling & Conveyance	1,710	900
Printing & Stationery	281	164
Communication Expenses	188	108
Professional and Consultancy Charges	4,243	1,082
Payment to Auditors *(refer note no. 29.1)*	650	818
Charity and Donations	52	-
Business Promotion, Advertisement & Publicity	70	36
Commission on Sales	797	3,036
Forwarding & Freight	2,213	1,764
Irrecoverable Debts written off	30	961
Currency Fluctuation (Net)	2,718	-
Job work Charges	5,413	4,347
Provision for Doubtful Debts	7	29
Loss on Sale of Property Plant & Equipment	113	-
Watch & Ward Expenses	1,534	1,310
Miscellaneous Expenses	822	803
Manufacturing Expenses transferred to Statement of Profit & Loss	**32,471**	**25,720**

29.1 Payment to Auditors as:

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Auditor:		
Statutory Audit fees	300	300
Tax Audit Fees	300	300
Certification and Consultation fee	50	218
	650	**818**

30. Income Tax Expense recognised in the profit and loss account.

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Current Tax:		
In respect of the Current Year	8,000	11,200
In respect of the Previous Year	(105)	-
Deferred Tax:		
In respect of the Current Year	(214)	108
Income Tax Expense recognised in the Statement of Profit & Loss	**7,681**	**11,308**

Effective Tax Reconciliations

Profit before tax	25,990	38,130
Applicable Tax rate	27.82%	27.82%
Computed tax expense	7,230	10,608
Tax effect of;		
Deduction from taxation	-	-
Expense Disallowed	556	700
Earlier year tax	(105)	-
Tax Expense recognised in Statement of Profit and Loss	7,681	11,308

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31. Earnings Per Share

(₹ in '000, except per share data)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Net Profit attributable to shareholders (₹)	18,308	27,144
Weighted average number of equity Shares (in thousands)	3,422	3,422
Basic and Diluted Earnings per share (₹)	5.35	7.93
Face Value per Equity Share (₹)	10	10

32. Contingent Liabilities in respect of:

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Commitments	23,720	-
(a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	-	-

33. The obligation for future lease rentals in respect of leased assets, aggregate to

(₹ in 000)

Particulars	Minimum Lease Payments		Present Value of Minimum Lease payments		Future Expense	
	Year Ended 31st March 2023	Year Ended 31st March 2022	Year Ended 31st March 2023	Year Ended 31st March 2022	Year Ended 31st March 2023	Year Ended 31st March 2022
(a) Lease rental due not later than one year	1,242	1,080	947	938	295	52
(b) Lease rental due later than one year but not later than Four years	2,381	-	2,135	-	245	-
(c) Lease rental due later than five years	-	-	-	-	-	-

33.1 The Company's activities involve predominantly one operating segment i.e. manufacturing and sales of various types Electrical Contacts , which are considered to be within a single operating segment since these are subject to similar risks and returns. Accordingly, manufacturing and sales of Electrical Contacts comprise the primary basis of segmental information as set out in these financial statements, which therefore reflect the information required by Ind AS 108- Segment Reporting has been disclosed as below.

a) Revenue from Operations

(₹ in 000)

Particulars	India		Rest Of World		Total	
	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022	Year Ended March 2023	Year Ended March 2022
Segment Revenue	4,78,248	4,27,994	22,931	52,428	5,01,179	4,80,422

b) Non Current Operating Assets

All Non Current Assets other than financial instruments, deferred tax assets of the company are located in India.

34. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(₹ in 000)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	14,224	7,494
The amount of interest paid by the buyer in terms of section 16, of the micro, small and medium enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
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 micro, small and medium enterprise development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied by the auditors

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SHIVALIK ENGINEERED PRODUCTS PRIVATE LIMITED
(Formerly known as Checon Shivalik Contact Solutions Pvt. Ltd.)

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35. "Related Party Disclosure" for the year ended 31st March 2023 in accordance with IND AS-24

(i) List of related parties where control exits and related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Party	Relationship
1	Shivalik Bimetal Controls Ltd.	Holding Company
2	Mr. Sumer Ghumman	Managing Director
3	Mr. Kabir Ghumman	Director
4	Shivalik Bimetal Engineers Pvt. Ltd.	Enterprises over which Key
5	TSL Holdings Pvt Ltd	Managerial Personnel are able to

(ii) Transactions during the year with related parties:

(₹ in 000)

Sr. No.	Nature of Transactions	Year Ended 31st March 2023			Year Ended 31st March 2022		
		Holding Company *	Director	Enterprises over which KMP are able to exercise significant influence	Joint Venture*	Relative of Key Managerial Personnel/Director	Enterprises over which KMP are able to exercise significant influence
1	Job Work Expense	25	-	136	37	-	249
2	Goods Sold	35	-		1,633	-	
3	Goods Purchased	-	-	31	1,69,053	-	5
4	Reimbursement of Expenses(Net)	299	-	54	323	-	43
5	Capital Goods Purchase	-	-		-	-	
6	Remuneration in pursuant to Section 197 of the Companies Act 2013 for holding an office or place of profit.	-	10,051	-	-	8,981	-
7	Unsecured Loans						
	i) Received during the year	-	-	-	-	-	-
	ii) Repaid during the year	-	-	-	-	-	5,711
8	Finance Costs	-	-	-	-	-	266
9	Equity Share Capital	-	-		-	-	
10	Rent Paid	-	140	903	-	-	360
Balances As at 31st March 2023							
10	**Payable/(Receivable)**	-	-	-	**15,684**	-	-

* Note : M/s Shivalik Bimetal Controls Limited (Shivalik) has acquired equity share capital in the Company, held by Portwest Corporation, USA (formerly known as Checon Corporation, USA) in the month of April, 2022, accordingly JV agreement got terminated with the result that the Company has become wholly owned subsidiary of Shivalik, as such Portwest Corporation, USA ceased to be related party w.e.f. begining of the current Financial Year.

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36. FINANCIAL INSTRUMENTS

36.1 Capital Management

The Company' s capital management objectives are;

- to maintain healthy Credit rating, Capital Ratios and Leverage.

- to maximise rerturn to the Shareholders.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. The Principal source of funding of the company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings.

(₹ in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Non Current Borrowings (Incl Current Maturities)	14,311	14,291
Short Term Borrowings	43,279	45,922
Less: Cash and cash equivalents	(5,312)	(14,283)
Net debt	52,278	45,930
Total equity (as shown on the face of balance sheet)	1,79,619	1,61,315
Net debt to equity ratio (Gearing Ratio)	29%	28%

36.2 Financial Instruments by categories

(₹ in '000)

Particulars	As at 31st March 2023			As at 31st March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Loans	100		114	100	-	105
Trade receivables			1,32,380	-	-	1,21,241
Cash and cash equivalents			5,312	-	-	14,283
Other Financial Assets			1,106	-	-	1,201
Total	100	-	1,38,912	100	-	1,36,830
Financial liabilities						
Borrowings			57,094		-	59,809
Trade payable			81,251		-	62,014
Other financial liabilities			5,878		-	4,277
Total	-	-	1,44,224	-	-	1,26,101

Fair Value Measurement

Carrying amount of Financial assets and financial liabilities recorded at amortized cost approximates their fair value.

36.3 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk, Foreign Currency Risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

36.4 Credit risk

Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. Credit risk encompasses both, direct risk of default and the risk of deterioration of creditworthiness.

a) **Credit risk management**

The Company assesses and manages credit risk based on internal credit rating system, continuously monitoring defaults of customers and other counterparties, identified either individually or by the company, and incorporates this information into its credit risk controls. The company has a policy of only dealing with credit worthy parties.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

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Trade receivables

The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due.

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

b) Expected credit losses

The Company provides for expected credit losses based on the following:

The company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by 'analysing historical trend of default based on the criteria defined above. And such provision percentage determined have been 'considered to recognise life time expected credit losses on trade receivables.

(₹ in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Gross amount of trade receivables where no	1,30,047	1,13,643
Expected loss rate	0.01%	0.03%
Expected credit loss (provision after set off)	7	29

Loss allowance on 31st March 2022	165	505
Impairment loss recognised during the year	37	990
Amount written back	(29)	(369)
Utilised during the year	(30)	(961)
Loss allowance on 31st March 2023	143	165

36.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management measures involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these obligations.

Maturities of financial liabilities

The tables below analyses the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. For balances due within 12 months amounts equal their carrying values as the impact of discounting is not significant.

(₹ in '000)

As at 31st March 2023	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
Long term borrowings (including interest)	1,294	4,733	4,733	3,550	14,311
Short term borrowings (including Interest)	43,279	-	-		43,279
Trade payable	81,251	-	-		81,251
Other financial liabilities	5,383	-	-		5,383
Total	**1,31,207**	**4,733**	**4,733**	**3,550**	**1,44,224**

As at 31st March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Long term borrowings (including interest)	91	1,183	4,733	8,283	14,291
Short term borrowings (including Interest)	45,922	-	-		45,922
Trade payable	62,014	-	-		62,014
Other financial liabilities	3,874	-	-		3,874
Total	**1,11,901**	**1,183**	**4,733**	**8,283**	**1,26,101**

36.6 Market Risk

The company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates. The company seeks to minimize the effects of these risks by minutely observing the variation and fluctuation on regular basis. Compliance of exposure volume is reviewed by the management on real time basis and taking corrective measures as and when required.

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36.7 Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar and Euro. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company.

(i) Foreign currency risk exposure:

The Companys exposure to foreign currency risk at the end of the reporting period are as follows

(₹ in '000)

Particulars	FC	As at 31st March 2023		As at 31st March 2022	
		FC (Nos)	Amount	FC (Nos)	Amount
Financial Liabilities					
Loans	EURO	47	4,214	155	13,132
	USD	367	30,165	431	32,677
				-	-
Creditors	EUR	-	-	30.60	2,591
	USD	570	47,186	639.34	48,468
				-	-
Financial assets				-	-
Debtors	EUR	-	-	-	-
	USD	39	3,238	75	5,709
Cash & Bank Balance	EUR	-	-	-	-
	USD	-	-	-	-
		-	-		
Net exposure to foreign currency risk (Liabilities)	EUR	**47**	**4,214**	**186**	**15,722**
	USD	**898**	**74,113**	**995**	**75,436**

Sensitivity analysis of 5% change in the exchange rate at the end of reporting period (₹ in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
5% Depreciation in INR		
USD sensitivity	74,113	75,436
Impact on Equity and Profit and Loss	(3,706)	(3,772)
Euro Sensitivity	4,214	15,722
Impact on Equity and Profit and Loss	(211)	(786)
5% Appreciation in INR		
USD sensitivity	74,113	75,436
Impact on Equity and Profit and Loss	3,706	3,772
Euro Sensitivity	4,214	15,722
Impact on Equity and Profit and Loss	211	786

36.8 Interest rate risk

i) Liabilities

Interest rate risk is the risk that the fair value or future cash flows of a financial Assets/Liabilities because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate.

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ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. 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.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

(₹ in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
Variable rate borrowing	44,077	45,609
Fixed rate borrowing	13,017	14,200
Total borrowings	57,094	59,809

Sensitivity

Below is the sensitivity of profit or loss and equity changes in

(₹ in '000)

Particulars	As at 31st March 2023	As at 31st March 2022
	Equity and Profit & Loss	Equity and Profit & Loss
Interest sensitivity*		
Interest rates - increase by 1%	(441)	(456)
Interest rates - decrease by 1%	441	456

36.9 Price Risk

The Company does not have significant exposure to price risk on its financial assets and liabilities.

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37. Ratios

S.No.	Particulars	Numerator	Denominator	31st March 2023	31st March 2022	Variance
1)	Current Ratio	Current Assets	Current Liabilities	1.70	2.01	-15.22%
2)	Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.33	0.38	-11.33%
3)	Debt service coverage ratio	Earnings Available For Debt Service #	Debt Service	0.59	0.78	-24.22%
4)	Return on Equity Ratio (ROE)	Net Profit After Taxes	Average Shareholder's Equity	0.10	0.17	-40.16%
5)	Inventory turnover ratio	Cost of Good Sold	Average Closing Inventory	2.23	2.25	-0.96%
6)	Trade Receivable turnover ratio	Revenue	Average Trade Receivable	3.95	3.71	6.49%
7)	Trade Payable turnover ratio	Purchases	Average Trade Payable	5.36	5.51	-2.76%
8)	Net Capital Turnover Ratio	Revenue	Working Capital	5.10	4.01	27.29%
9)	Net Profit ratio	Net profit after taxes	Revenue	0.04	0.06	-35.91%
10)	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	0.13	0.19	-35.32%
11)	Return on investment (ROI) unquoted	Income generated from investments	Time weighted average investments	N/A	N/A	N/A

Net profit after taxes + Non-cash operating expenses + Interest + Other adjustments like loss on sale of fixed assest etc.

38. Additional regulatory information not disclosed elsewhere in the financial statements

(a) The Company does not have any Benami property, further no proceeding has been initiated or pending against the company for holding any Benami Property.

(b) The Company did not have any transactions with Companies struck off.

(c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(d) The Company has not traded or invested in Crypto Currency or Virtual Currency during the respective financial year period.

(e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.

(f) The Company has not received any fund from any person (s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(i) 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
(ii) provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries.

(g) The company does not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (Such as, Search or survey or any other relevant provisions of the income Tax Act, 1961).

(h) The company has not been declared willful defaulter by any bank or financial Institution or other lender.

(j) The Company has complied with the number of layers prescribed under of section 2(87) of the Act read with the companies (Restriction on number of layers) Rules, 2017.

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