

Walker Chandiook & Co LLP

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Independent Auditor's Report

To the Members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited)

Report on the Audit of the Financial Statements

Opinion

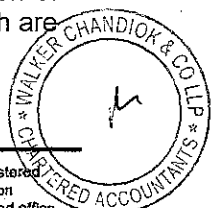
1. We have audited the accompanying financial statements of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter: Restatement of comparative financial information

4. We draw attention to note 42 to the accompanying financial statements, which describes the restatements made to the comparative financial statements for the year ended 31 March 2023 and in opening balance sheet as at 01 April 2022 in accordance with the principles of Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors read with Ind AS 101 First-time Adoption of Indian Accounting Standards, for correction of certain identified material prior period errors, which are further described in the aforesaid note. Our opinion is not modified in respect of this matter.



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Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

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

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

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

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

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

6. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

9. 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 Standards on Auditing 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.

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Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - 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.
11. 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.

Other Matter

12. The comparative financial information for the year ended 31 March 2023 and the transition date opening balance sheet as at 1 April 2022 prepared in accordance with Ind AS included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2023 and 31 March 2022 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the predecessor auditor whose reports dated 05 September 2023 and 30 September 2022 respectively expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

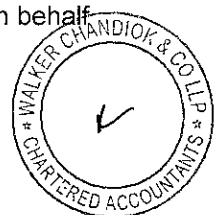
13. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.



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Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

14. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 15(b) above on reporting under section 143(3)(b) of the Act and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
 - 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in note 37 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024.;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024.;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024.;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 44 (iv) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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

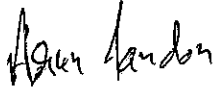


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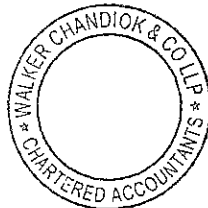
Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

- of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 44 (v) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
- vi. As stated in note 45 to the financial statements and based on our examination the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software (Tally Prime version 2.1) for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail feature in the accounting software used for maintenance of accounting records was not enabled up to 24 April 2023 and the same did not operate throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with for the period where audit trail is enabled.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Arun Tandon
Partner
Membership No.: 517273



UDIN: 24517273BKEXFK6980

Place: New Delhi
Date: 13 May 2024

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Annexure A referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, 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 regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 3 and note 6 to the financial statements, are held in the name of the Company. For title deeds of immovable properties in the nature of land situated at SP2-41, New Industrial Complex, Phase 3, Neemrana, Rajasthan with gross carrying value of Rs 28.61 million as at 31 March 2024, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.
- (d) The Company has adopted cost model for its property, plant and equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.
- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.



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Annexure A referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

(Amount in Rs. million)

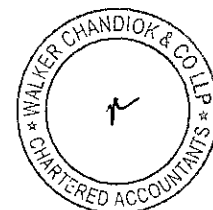
Name of the statute	Nature of dues	Gross Amount	Amount paid under Protest	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	3.98	-	AY 2012-13	Appellate authority up to Commissioners' level
Income tax Act, 1961	Income tax	21.05	7.84	AY 2017-18	Appellate authority up to Commissioners' level
Income tax Act, 1961	Income tax	6.10	-	AY 2018-19	Appellate authority up to Commissioners' level
Income tax Act, 1961	Income tax	4.63	-	AY 2020-21	Appellate authority up to Commissioners' level
Goods and Services Tax Act, 2017	Goods and Services tax	0.89	-	July 2017 to March 2021	Adjudicating authority
Goods and Services Tax Act, 2017	Goods and Services tax	0.45	0.02	July 2017 to March 2021	Adjudicating authority
Goods and Services Tax Act, 2017	Goods and Services tax	62.55	62.14	July 2017 to September 2023	Adjudicating authority



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Annexure A referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has made preferential allotment of shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. No amounts have been raised from the preferential allotment of shares during the year as the allotment was in lieu of conversion of external commercial borrowings obtained by the Company as explained in note 12 to the financial statements and hence, the reporting on utilisation of funds is not applicable. Further, the Company has not made any preferential allotment or private placement of (fully, partially or optionally) convertible debentures during the year.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.



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Annexure A referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

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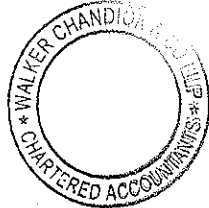
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Annexure A referred to in Paragraph 14 of the Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

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

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Arun Tandon



Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFK6980

Place: New Delhi
Date: 13 May 2024

Walker Chandniok & Co LLP

Annexure B

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

1. In conjunction with our audit of the financial statements of SPR Takahata Precision India Private Limited (formerly Takahata Precision Private Limited) ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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



Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) on the financial statements for the year ended 31 March 2024 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

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

For **Walker Chandiook & Co LLP**

Chartered Accountants

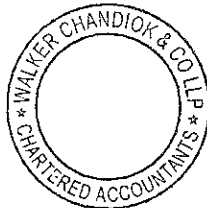
Firm's Registration No.: 001076N/N500013

Arun Tandon

Arun Tandon

Partner

Membership No.: 517273



UDIN: 24517273BKEXFK6980

Place: New Delhi

Date: 13 May 2024

01c

SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)
Balance Sheet as at 31 March 2024

	Note no.	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million (Restated) (refer note 42)	As at 01 April 2022 Rs. million (Restated) (refer note 42)
ASSETS				
Non-current assets				
a) Property, plant and equipment	3	1,191.07	1,315.75	1,518.04
b) Capital work-in-progress	4	53.63	5.41	2.00
c) Other intangible assets	5	5.52	6.18	5.69
d) Right-of-use assets	6	27.97	28.28	28.61
e) Financial assets				
(i) Other financial assets	7	11.61	8.74	8.74
f) Other non-current assets	8	15.11	34.19	21.32
g) Deferred tax assets (net)	17	-	-	-
		1,304.91	1,398.55	1,584.40
Current assets				
a) Inventories	9	283.43	257.06	290.49
b) Financial assets				
(i) Trade receivables	10	322.32	305.44	272.65
(ii) Cash and cash equivalents	11	205.95	91.10	147.10
(iii) Other bank balances other than (ii) above	11	110.00	178.20	99.00
(iv) Other financial assets	7	3.73	1.21	3.11
c) Other current assets	8	57.20	54.83	33.56
		982.63	887.84	845.91
TOTAL ASSETS		2,287.54	2,286.39	2,430.31
EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	12	1,835.00	935.00	935.00
b) Other equity	13	(951.34)	(1,111.77)	(1,023.74)
		883.66	(176.77)	(88.74)
Liabilities				
Non-current liabilities				
a) Financial liabilities				
(i) Borrowings	14	950.58	2,202.60	2,063.17
b) Provisions	15	15.03	12.38	11.01
		965.61	2,214.98	2,074.18
Current liabilities				
a) Financial liabilities				
(i) Borrowings	18	122.22	0.26	103.22
(ii) Trade payables	19	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		16.75	11.40	4.44
- Total outstanding dues of creditors other than micro enterprises and small enterprises		193.62	192.58	274.64
(iii) Other financial liabilities	20	40.26	19.49	24.25
b) Other current liabilities	16	64.85	23.97	37.91
c) Provisions	15	0.57	0.48	0.41
		438.27	248.18	444.87
TOTAL EQUITY AND LIABILITIES		2,287.54	2,286.39	2,430.31

See accompanying notes to the financial statements 1-45

In terms of our report attached

For Walker Chandniok & Co LLP
Chartered Accountants
Firm Registration No.: 001076/N/5000013

Arun Tandon
Arun Tandon
Partner
Membership No. 517273



Place : New Delhi
Date: 13 May 2024

For and on behalf of the Board of Directors

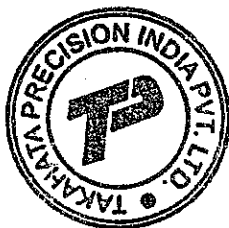
I. Krishnakumar
Krishnakumar Srinivasan
Chairman
DIN : 00692717
Place : New Delhi

Alok Ranjan
Alok Ranjan
Director
DIN: 04254398
Place : Lucknow

Nidhi Kandwal
Nidhi Kandwal
Company Secretary
Place : New Delhi

Deepak Dimri
Deepak Dimri
Managing Director
DIN:03344410
Place : New Delhi

Chandan Kumar
Chandan Kumar
Whole time Director
DIN:09596404
Place : New Delhi



SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)
Statement of Profit and Loss for the year ended 31 March 2024

	Note no.	For the year ended 31 March 2024 Rs. million	For the year ended 31 March 2023 Rs. million	
I	Revenue from operations	21	2,675.08	2,043.80
II	Other income	22	12.60	5.15
III	Total income (I+II)		2,687.68	2,048.95
IV	Expenses			
	Cost of materials consumed	23	1,762.94	1,219.13
	(Increase) / decrease in inventories of finished goods and work-in-progress	24	(21.01)	(16.23)
	Employee benefits expense	25	203.14	193.39
	Finance costs	26	88.30	171.01
	Depreciation and amortisation expense	27	183.87	224.68
	Other expenses	28	336.31	345.52
	Total expenses		2,553.55	2,137.52
V	Profit/(loss) before tax (III-IV)		134.13	(88.57)
VI	Tax expense:			
	i) Current tax	17	3.45	-
	ii) Deferred tax	17	-	-
	iii) Tax related to earlier years	17	0.74	-
			4.19	-
VII	Profit/(loss) for the year (V-VI)		129.94	(88.57)
VIII	Other comprehensive income			
A	(i) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the post employment defined benefit plans		(0.47)	0.54
	Total other comprehensive income		(0.47)	0.54
	Total comprehensive income (VII+VIII)		129.47	(88.03)
	Earnings per share (of Rs. 10/- each)	30		
	Basic (Rs)		0.78	(0.95)
	Diluted (Rs)		0.78	(0.95)

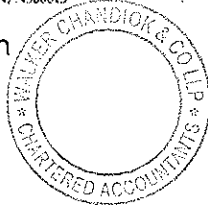
See accompanying notes to the financial statements

1-15

In terms of our report attached
For Walker Chandniok & Co LLP
Chartered Accountants
Firm Registration No. 3001076N/N500013

Arun Tandon

Arun Tandon
Partner
Membership No. 517273



Place: New Delhi
Date: 13 May 2024

For and on behalf of the Board of Directors

P. Krishnakumar

P. Krishnakumar
Chairman
DIN: 00692717
Place: New Delhi

Alok Ranjan

Alok Ranjan
Director
DIN: 08254398
Place: Lucknow

Nidhi

Nidhi Kandwal
Company Secretary
Place: New Delhi

Deepak Dixri

Deepak Dixri
Managing Director
DIN: 03344410
Place: New Delhi

Chandan Kumar

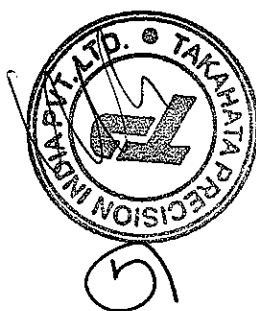
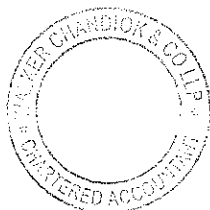
Chandan Kumar
Whole time Director
DIN: 09596404
Place: New Delhi



SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)
Statement of Cash flows for the year ended 31 March 2024

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
A. Cash flow from operating activities		
Profit/(loss) before tax	134.13	(88.57)
Adjustments for :		
Depreciation/ amortisation	183.87	224.68
Finance costs	88.30	171.01
Provision for doubtful debts (net)	4.20	0.15
Interest income	(11.97)	(4.60)
Net gain on sale/ fair valuation of current investments	(0.43)	-
Unrealised exchange rate variation (net)	(1.03)	50.86
(Profit)/loss on sale/retirement of property, plant and equipment	0.06	-
Operating profit before working capital changes	<u>397.11</u>	<u>353.53</u>
Adjustments for:		
(Increase)/ decrease in inventories	(26.37)	33.43
(Increase)/ decrease in trade receivables	(20.99)	(32.78)
(Increase)/ decrease in other financial assets (current and non-current)	(3.22)	3.47
(Increase)/ decrease in other assets (current and non-current)	32.13	(44.95)
Increase/ (decrease) in trade payables	7.42	(75.10)
Increase/ (decrease) in other financial liabilities (current and non-current)	46.21	(4.76)
Increase/ (decrease) in other liabilities and provisions (current and non current)	43.15	(11.98)
Cash generated from operations	<u>475.44</u>	<u>220.86</u>
Income tax paid (net)	(19.70)	10.66
Net cash from operating activities (A)	<u>455.74</u>	<u>231.52</u>
B. Cash flow from investing activities		
Investment in deposit with banks	(110.00)	(178.20)
Proceeds from redemption of deposit with banks	178.20	99.00
Proceeds from redemption of current investments	250.45	-
Purchases of current investments	(250.00)	-
Interest received	9.79	3.03
Sale of property, plant and equipment	0.11	-
Purchase of property, plant and equipment (including capital work-in-progress)	(105.55)	(23.65)
Purchase of other intangible assets	(1.05)	(2.31)
Net cash used in investing activities (B)	<u>(28.05)</u>	<u>(102.13)</u>
C. Cash flow from financing activities		
Interest paid	(82.78)	(82.07)
Proceeds from non-current borrowings	1,100.00	-
Repayment of non-current borrowings	(1,330.06)	(103.33)
Net cash used in financing activities (C)	<u>(312.84)</u>	<u>(185.40)</u>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<u>114.85</u>	<u>(56.00)</u>
Cash and cash equivalents at the beginning of the year	<u>91.10</u>	<u>147.10</u>
Cash and cash equivalents at the end of the year	<u>205.95</u>	<u>91.10</u>

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SPR Takahata Precision India Private Limited
 (formerly Takahata Precision India Private Limited)
 Statement of Cash flows for the year ended 31 March 2024

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million
Components of cash and cash equivalents		
Cash in hand	0.16	0.03
Balances with banks		
- current accounts	173.70	91.07
- Deposits with banks, with original maturity less than 3 months	30.00	-
	205.95	91.10

Notes to statement of cash flows:

1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7.

See accompanying notes to the financial statements

1-45

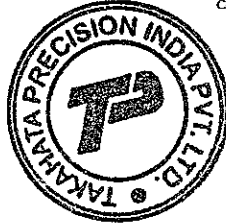
In terms of our report attached
 For Walker Chandio & Co LLP
 Chartered Accountants

Firm Registration No.: 00107622/SS/00013

Arun Tandon

Arun Tandon
 Partner
 Membership No. 517273

Place: New Delhi
 Date: 15 May 2024



For and on behalf of the Board of Directors

Krishnakumar

Krishnakumar Srinivasan
 Chairman
 DIN: 00692717
 Place: New Delhi

Alok Ranjan

Alok Ranjan
 Director
 DIN: 08253398
 Place: Lucknow

Nidhi

Nidhi Kandwal
 Company Secretary
 Place: New Delhi

Deepak

Deepak Dimri
 Managing Director
 DIN: 03344410
 Place: New Delhi

Chandan

Chandan Kumar
 Whole time Director
 DIN: 09596404
 Place: New Delhi

SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)
Statement of Changes in Equity as at 31 March 2024

a) Fully paid up equity shares
(face value of Rs 10/- each)

	No of shares	Rs. million
Balance as at 01 April 2022	9,35,00,000	935.00
Add: issued during the year	-	-
Balance as at 31 March 2023	9,35,00,000	935.00
Add: issued during the year (refer note 12)	9,00,00,000	900.00
Balance as at 31 March 2024	18,35,00,000	1,835.00

(b) Other equity

Rs. million

Particulars	Reserves and surplus	Deemed equity contribution (refer note 13)	Total
	Retained earnings		
Balance as at 01 April 2022	(1,023.74)	-	(1,023.74)
Profit/(loss) for the year	(88.57)	-	(88.57)
Other comprehensive income for the year, net of tax	0.54	-	0.54
Balance as at 31 March 2023	(1,111.77)	-	(1,111.77)
Profit/(loss) for the year	129.94	-	129.94
Equity contribution on account of corporate guarantee	-	30.96	30.96
Other comprehensive income for the year, net of tax	(0.47)	-	(0.47)
Balance as at 31 March 2024	(982.30)	30.96	(951.34)

See accompanying notes to the financial statements

1-45

In terms of our report attached
For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No. :001076N/N500013

Arun Tandon
Arun Tandon
Partner
Membership No. 517273



Date: 13 May 2024
Place : New Delhi



For and on behalf of the Board of Directors

B. Krishnakumar

Krishnakumar Srinivasan
Chairman
DIN : 00692717
Place : New Delhi

Alak Ranjan

Alak Ranjan
Director
DIN: 08254398
Place : Lucknow

Nidhi

Nidhi Kandwal
Company Secretary
Place : New Delhi

Deepak Dimri

Deepak Dimri
Managing Director
DIN: 03344410
Place : New Delhi

Chandan Kumar

Chandan Kumar
Whole time Director
DIN:09596404
Place : New Delhi

SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)

Notes to the financial statements for the year ended 31 March 2024

1. Corporate information

SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited) (‘the Company’), is a private limited company incorporated under the Companies Act, 1956 and having its registered office at SP2-41, RIICO New Industrial Complex, Phase – III, Neemrana, Alwar, Rajasthan – 301705. The Company is engaged in the primary business of manufacturing and distribution of precision moulded resin parts/precision metal moulds/assembled resin parts using advanced injection moulding technology for automotive and industrial applications.

The financial statements of the Company are approved for issuance by the Company's Board of Directors on 13 May 2024.

2. Material accounting policy information

2.1.1 Basis of accounting and preparation of financial statements

The financial statements ("financial statements") have been prepared in accordance with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017 issued by the Ministry of Corporate Affairs (‘MCA’).

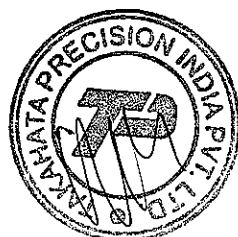
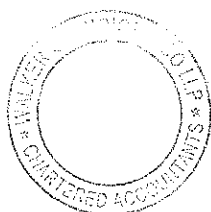
The financial statements have been prepared under historical cost convention on accrual and going concern basis, except for the following assets and liabilities:-

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- ii) Defined benefit liabilities are measured at present value of defined benefit obligation.
- iii) Certain financial assets and liabilities at amortised cost

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Generally Accepted Accounting Principles as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) (GAAP), which was the previous GAAP. Reconciliations and descriptions of the effect of the transition has been summarized in note 42.

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

The financial statements are presented in INR “(Indian Rupees)” and all values are rounded to the nearest million, except when otherwise indicated.



SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)

Notes to the financial statements for the year ended 31 March 2024

2.1.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurement are categorised into level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in the entirety, which are described as follows:

- Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data..

2.1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification

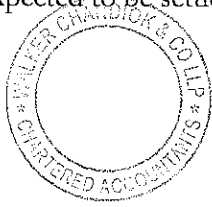
The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in normal operating cycle;



SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)

Notes to the financial statements for the year ended 31 March 2024

- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

The Company's normal operating cycle is twelve months.

2.2. Significant accounting judgements, estimates and assumptions.

The preparation of the financial statements is in conformity with Indian Accounting Standards (Ind AS) and requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise information, about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

- **Deferred tax :** Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. 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.
- **Useful lives of depreciable/amortisable assets :** value of property, plant and equipment and intangibles at the end of each reporting period. Factors such as changes in the expected level of usage could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.
- **Estimation of defined benefit obligation:** Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)

Notes to the financial statements for the year ended 31 March 2024

- Estimation for expected credit losses of trade receivables : Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management believes that there is uncertainty of collections. Provision is recognised based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

2.3.1 Revenue recognition

Sale of products/services

Revenue from the sale of products or services is recognized upon transfer of control to customers. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example, taxes and duties collected on behalf of the government). A receivable is recognized upon satisfaction of performance obligations as per the contracts and is measured at transaction price.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

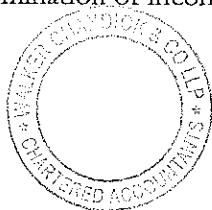
2.3.2 Other income

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the interest rate as applicable.

Miscellaneous income

Other revenues are recognised on accrual basis, except where there are uncertainties in realisation / determination of income and in such case income is recognised on realisation / certainty.



SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)

Notes to the financial statements for the year ended 31 March 2024

2.4.1. Property, plant and equipment

Property, plant and equipment held for use in production or supply of goods and services, or for administrative purpose, are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

Subsequent expenditure can be capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the company. All other repair and maintenance expenditure are charged to the Statement of Profit and Loss for the year during which such expenditure are incurred.

An item of property, plant and equipment is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.4.2. Intangible assets

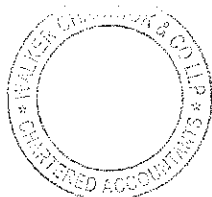
Intangible assets are recognised when it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

Intangible assets held for use in production or supply of goods and services, or for administrative purpose, are stated at are stated at historic cost, net of accumulated depreciation (net of input tax credits availed) including taxes and other incidental expenses related to acquisition, installation and borrowing cost on loan taken for the acquisition of qualifying assets upto the date the assets are ready for their intended use.

An item of intangible asset is derecognised on disposal, or when no future economic benefit are expected to arise from the continued use of assets. Any gain and loss arising on the disposal of or retirement is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in the statement of profit and loss.

2.4.3. Capital work-in-progress

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.



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2.4.4. Leases

Lessee Accounting

1. Lease liability is initially recognised at the commencement of lease and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
2. Right of use asset is recognised at the commencement of lease and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee. Right-of-use assets are amortized on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets and impairment loss.
3. The lease liability is measured in subsequent periods using the effective interest rate method.
4. Recognition and measurement exemption is availed for low-value assets and short term leases. Assets of low value include IT equipment or office furniture. No monetary threshold has been defined for low-value assets. Short-term leases are defined as leases with a lease term of 12 months or less.

2.5. Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The Company is following written down value method in case of Furniture and fixtures, computer and office equipment and straight line method in respect of other assets.

Depreciation on tangible property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the certain categories of assets, in whose case the life of the assets has been assessed based on technical advice, taking into account the nature, the estimated usage, operating conditions of the asset, past history of replacement, anticipated technological changes and maintenance practices etc.

Followings are the estimated useful lives of various category of assets used

Factory building	-	thirty years
Factory wall fencing	-	five years

Plant and machinery

- General	-	fifteen years
- Electric installation / equipment	-	ten years
- Spares	-	five years
- Plastic crates	-	fifteen years



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- Moulds	-	six years
Vehicle	-	eight years
Furniture and fixture	-	ten years
Office equipment	-	five years
Computer	-	three years

All intangible assets are amortised on straight-line method over their estimated useful life as under.

Computer software	-	three years
Product design	-	six years

Assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition.

Depreciation on assets acquired/sold/discarded during the year is charged on pro-rata basis in the year of sale.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

2.6. Financial instruments

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

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Financial assets

All regular way purchases or sales of financial assets are accounted for at trade date basis. Regular way purchases or sales are purchase or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost

- i) The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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

- i) The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- ii) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

Financial asset which are not classified in any of the above categories are subsequently measured at fair value through profit or loss (FVTPL).

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. The normal credit period is 30 days.

Investments

Investments in mutual funds and investment in equity instrument are measured at fair value through profit or loss.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost or at fair value through profit or loss (FVTPL). 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.

Fair value is determined in the manner described in note no 39.

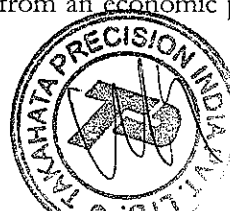
2.7. Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps.

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 the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not



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qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through the statement of profit and loss and the resulting exchange gains or losses are included in the statement of profit and loss. Assets/liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance sheet date.

2.8. Inventories

Inventories are valued at lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

- i) Raw materials, loose tools and store and spares : cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Raw materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- ii) Work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.
- iii) Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

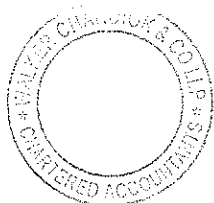
Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.9. Foreign currency transactions and translations

Transactions in foreign currency are recorded on initial recognition at the exchange rate prevailing on or closely approximating to the date of transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except exchange differences on transactions entered into in order to hedge certain foreign currency risks.



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For foreign currency denominated financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

2.10. Employee benefits

Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Contribution towards Provident Fund is paid as per the statutory provisions/Company's scheme. These benefits are charged to the statement of profit and loss of the year when they become due. For defined post-employment employee benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

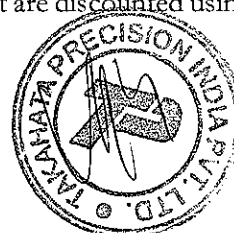
Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Leave availment / encashment benefit is provided as per Company's scheme. Employees are entitled to accumulate leaves subject to certain limit as per Company's scheme.

Liabilities for compensated absence that are not expected to be settled wholly within 12 months after the end of the period in which the employees rendered the related service, are measured at the present value of expected future payment to be made in respect of service provided by employees up to the end of reporting period using the projected unit credit method. The benefit are discounted using the market yields



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at the end of reporting period. Remeasurement as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

Employee benefits in the form of long service awards is provided as per Company scheme. The liability is determined through actuarial valuation using projected unit credit method.

2.11. Taxes on income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

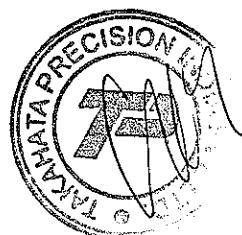
The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.12. Borrowing costs

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

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.



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2.13. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the Company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.14. Impairment of assets

The carrying values of property, plant and equipment, right-of-use assets and intangible assets or cash generating units are reviewed at each Balance sheet date for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the statement of profit and loss.

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

2.15. Provisions

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

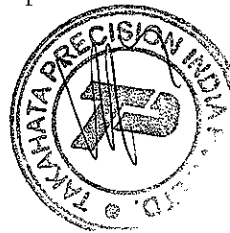
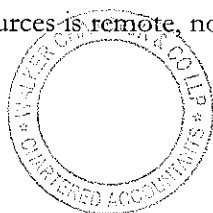
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

2.16. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.



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2.17. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of moulded parts using advanced injection moulding technology . All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

2.18. Recent accounting pronouncements which are not yet effective

As on the date of these financial statements, Ministry of Corporate Affairs ('MCA') has not issued any standards/amendments to accounting standards which are effective from 1 April 2024.

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3. Property, plant and equipment

Particulars	Rs. million							Total
	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computer	Electrical installations	
As at 01 April 2022								
Gross carrying amount								
Deemed cost as at 01 April 2022	398.56	1,017.54	4.83	3.65	4.10	0.95	88.61	1,518.04
Additions	1.44	13.76	0.58	3.06	0.48	0.91	-	20.23
Disposals	-	-	-	-	-	-	-	-
Closing gross carrying amount as at 31 March 2023	399.80	1,031.30	5.41	6.71	4.58	1.86	88.61	1,538.27
Accumulated depreciation								
Opening accumulated depreciation	-	-	-	-	-	-	-	-
Depreciation charged during the year	16.24	188.89	0.96	1.82	1.74	0.44	12.43	222.52
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2023	16.24	188.89	0.96	1.82	1.74	0.44	12.43	222.52
Net carrying amount as at 31 March 2023	383.56	842.41	4.45	4.89	2.84	1.42	76.18	1,315.75
As at 31 March 2023								
Gross carrying amount								
Opening gross carrying amount	399.80	1,031.30	5.41	6.71	4.58	1.86	88.61	1,538.27
Additions	-	54.15	0.38	-	0.89	1.93	-	57.35
Disposals	-	-	-	-	0.07	0.10	-	0.17
Closing gross carrying amount as at 31 March 2024	399.80	1,085.45	5.79	6.71	5.40	3.69	88.61	1,595.45
Accumulated depreciation								
Opening accumulated depreciation	16.24	188.89	0.96	1.82	1.74	0.44	12.43	222.52
Depreciation charged during the year	16.22	147.36	1.74	1.11	1.65	1.34	12.44	181.86
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at 31 March 2024	32.46	336.25	2.70	2.93	3.39	1.78	24.87	404.38
Net carrying amount as at 31 March 2024	367.34	749.20	3.08	3.78	2.01	1.91	63.75	1,191.07

Notes:

- i) The Company has not revalued its property, plant and equipment during the year.
- ii) The title deeds of all the immovable properties held by the Company are held in the name of the Company.
- iii) The Company's movable and immovable property has been pledged against the term loan availed during the year ended 31 March 2024 amounting to Rs 1,100.00 million from HDFC Bank Limited (refer note 14)
- iv) On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.



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4. Capital work-in progress

Particulars	Rs. million		
	As at 31 March 2024	As at 31 March 2023	01 April 2022
Balance at the beginning of the year	5.41	2.00	2.00
Addition during the year	79.55	5.41	-
Capitalised/adjusted during the year	31.33	2.00	-
Balance at the end of the year	53.63	5.41	2.00

Capital-work-in progress ageing schedule is as under:

Particulars	Rs. million			
	As at 31 March 2024			
	Amount in Capital-work-in progress for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress*	53.63	-	-	-
Projects temporarily suspended	-	-	-	-
Total	53.63	-	-	-

Particulars	Rs. million			
	As at 31 March 2023			
	Amount in capital work-in progress for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress*	5.41	-	-	-
Projects temporarily suspended	-	-	-	-
Total	5.41	-	-	-

Particulars	Rs. million			
	As at 01 April 2022			
	Amount in capital work-in progress for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress*	2.00	-	-	-
Projects temporarily suspended	-	-	-	-
Total	2.00	-	-	-

Note: The projects in progress will be completed within 1 year.

There are no such projects under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2024 and 31 March 2023 and 1 April 2022.



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5. Other intangible assets

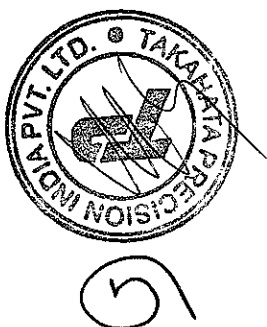
Rs. million

Particulars	Other intangible assets		Total
	Computer software	Computer server	
As at 01 April 2022			
Gross carrying amount			
Deemed cost as at 01 April 2022	3.56	2.13	5.69
Additions	2.31	-	2.31
Disposals	-	-	-
Closing gross carrying amount as at 31 March 2023	5.88	2.13	8.01
Accumulated amortisation			
Opening accumulated depreciation	-	-	-
Amortisation charged during the year	1.23	0.60	1.83
Disposals	-	-	-
Closing accumulated depreciation as at 31 March 2023	1.23	0.60	1.83
Net carrying amount as at 31 March 2023	4.65	1.53	6.18
As at 31 March 2023			
Gross carrying amount			
Opening gross carrying amount	5.88	2.13	8.01
Additions	0.74	0.30	1.04
Disposals	-	-	-
Closing gross carrying amount as at 31 March 2024	6.62	2.43	9.05
Accumulated amortisation			
Opening accumulated depreciation	1.23	0.60	1.83
Amortisation charged during the year	1.12	0.58	1.70
Disposals	-	-	-
Closing accumulated depreciation as at 31 March 2024	2.35	1.18	3.53
Net carrying amount as at 31 March 2024	4.27	1.25	5.52

Notes:

- i) The Company has not revalued its other intangible assets during the year.
- ii) On transition to Ind AS, the Company has elected to continue with the carrying value of all its other intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the other intangible assets.

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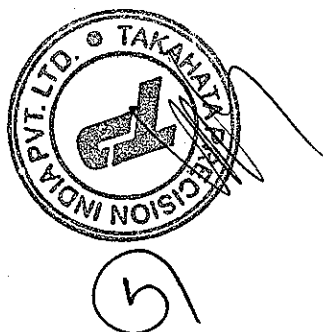
6. Right-of-use assets

Particulars	Right-of-use assets (refer note 34)	Total
As at 01 April 2022		
Gross carrying amount	-	-
Deemed cost as at 01 April 2022	28.61	28.61
Additions	-	-
Closing gross carrying amount as at 31 March 2023	28.61	28.61
Accumulated amortisation	-	-
Opening accumulated depreciation	-	-
Amortisation charged during the year	0.33	0.33
Disposals	-	-
Closing accumulated depreciation as at 31 March 2023	0.33	0.33
Net carrying amount as at 31 March 2023	28.28	28.28
As at 31 March 2023		
Gross carrying amount	-	-
Opening gross carrying amount	28.61	28.61
Additions	-	-
Disposals	-	-
Closing gross carrying amount as at 31 March 2024	28.61	28.61
Accumulated amortisation	-	-
Opening accumulated depreciation	0.33	0.33
Amortisation charged during the year	0.31	0.31
Disposals	-	-
Closing accumulated depreciation as at 31 March 2024	0.64	0.64
Net carrying amount as at 31 March 2024	27.97	27.97

Notes:

- i) The Company has not revalued right-of-use assets during the year.
- ii) On transition to Ind AS, the Company has elected to continue with the carrying value of all its right-of-use assets measured as per the previous GAAP and use that carrying value as the deemed cost for the right-of-use assets.
- iii) The Company's right-of-use assets has been pledged against the term loan availed during the year ended 31 March 2024 amounting to Rs 1,100.00 million from HDFC Bank Limited (refer note 14)
- iv) The title deeds of all the immovable properties held by the Company are held in the name of the Company.

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7. Other financial assets

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Non-current:			
Security deposits	11.61	8.74	8.74
	<u>11.61</u>	<u>8.74</u>	<u>8.74</u>
Current:			
Security deposits	1.57	1.21	1.54
Interest accrued on fixed deposits	2.17	-	1.57
	<u>3.74</u>	<u>1.21</u>	<u>3.11</u>
Less: Provision for doubtful security deposits	0.02	-	-
	<u>3.73</u>	<u>1.21</u>	<u>3.11</u>

8. Other assets

(Unsecured, considered good unless stated otherwise)

Non-current:

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
i) Capital advances	2.04	2.21	-
ii) Income tax assets (net of provision)	12.28	31.98	21.32
iii) Prepaid expenses	0.79	-	-
	<u>15.11</u>	<u>34.19</u>	<u>21.32</u>

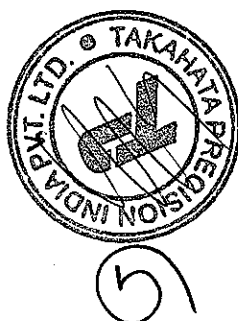
Current:

i) Advances other than capital advances recoverable in cash or in kind or for value to be received

Unsecured, considered good	1.04	34.57	7.71
Unsecured, considered doubtful	0.07	0.15	-
	<u>1.11</u>	<u>34.72</u>	<u>7.71</u>
Less: Provision for advance to vendor	0.07	0.15	-
	<u>1.04</u>	<u>34.57</u>	<u>7.71</u>

ii) Balance with government authorities	13.99	11.52	19.29
iii) Prepaid expenses	7.89	8.74	6.56
iv) Other receivable	34.28	-	-
	<u>56.16</u>	<u>20.26</u>	<u>25.85</u>
	<u>57.20</u>	<u>54.83</u>	<u>33.56</u>

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9. Inventories

(valued at lower of cost or net realisable value)

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Raw material (includes in transit Rs.12.14/-million (previous year Rs.24.67/- million))	146.15	137.77	186.22
Work-in-progress	56.99	50.01	45.36
Finished goods (includes in transit Rs. 17.88/- million (previous year Rs.10.30/- million))	79.94	63.91	54.35
Stores and spares	0.35	3.37	4.56
	<u>283.43</u>	<u>257.06</u>	<u>290.49</u>

Notes:

- i) The inventories are hypothecated as security against term loan from banks, refer note 14.
ii) The value of inventories above is net off of Rs. 1.31 million (previous year Rs. nil).

10. Trade receivables

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Trade receivables considered good - Secured	-	-	-
Trade receivables considered good - Unsecured	322.32	305.44	272.65
Receivable which have significant increase in credit risk	-	-	-
Credit impaired	4.11	-	-
	<u>326.43</u>	<u>305.44</u>	<u>272.65</u>
Less: Allowance for expected credit loss on receivable credit impaired	(4.11)	-	-
	<u>322.32</u>	<u>305.44</u>	<u>272.65</u>

Notes:

- i) The trade receivables are pledged as security against term loans from banks, refer note no 14.
ii) There are no trade receivable which have significant increase in credit risk.
iii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
iv) Trade receivables includes nil (31 March 2023: Rs. 12.31 million, 01 April 2022: nil) due to related parties (refer note 32)

Trade receivable ageing as at 31 March 2024 is as under:

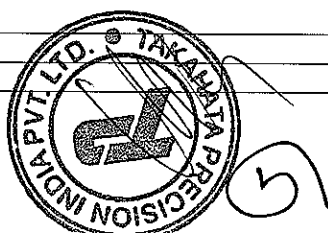
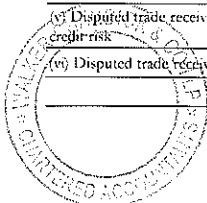
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
	Rs. million					
(i) Undisputed trade receivables – considered good	295.67	17.45	9.20	-	-	322.32
(ii) Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	0.11	4.00	-	-	4.11
(iv) Disputed trade receivables –considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-
Total	295.67	17.56	13.20	-	-	326.43

Trade receivable ageing as at 31 March 2023 is as under:

Particulars	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	
	Rs. million					
(i) Undisputed trade receivables – considered good	302.95	0.24	2.25	-	-	305.44
(ii) Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables –considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-
	<u>302.95</u>	<u>0.24</u>	<u>2.25</u>	<u>-</u>	<u>-</u>	<u>305.44</u>

Trade receivable ageing as at 01 April 2022 is as under:

Particulars	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	
	Rs. million					
(i) Undisputed trade receivables – considered good	272.65	-	-	-	-	272.65
(ii) Undisputed trade receivables –which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables –considered good	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-
	<u>272.65</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>272.65</u>



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11. Cash and cash equivalents and other bank balances

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
i) Cash and cash equivalents			
Cash on hand	0.16	0.03	0.04
Balances with banks			
- Deposits with banks, with original maturity less than 3 months	30.00	-	-
- current accounts	175.79	91.07	147.06
	<u>205.95</u>	<u>91.10</u>	<u>147.10</u>
ii) Other bank balances			
- Deposits with banks , with original maturity more than 3 months	110.00	178.20	99.00
	<u>110.00</u>	<u>178.20</u>	<u>99.00</u>
	<u>315.95</u>	<u>269.30</u>	<u>246.10</u>

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Notes to the financial statements for the year ended 31 March 2024

12. Equity share capital

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Authorised shares			
1,950,000,000 (31 March 2023: 95,000,000) equity shares of Rs. 10 each	1,950.00	950.00	950.00
a. Issued, subscribed and fully paid up shares	<u>1,950.00</u>	<u>950.00</u>	<u>950.00</u>
183,500,000 (previous year: 93,500,000) equity shares of Rs. 10 each	1,835.00	935.00	935.00
	<u>1,835.00</u>	<u>935.00</u>	<u>935.00</u>

Note:

During the year, the shareholders of the Company, in their Extra-ordinary General Meeting (EGM) held on 09 June 2023 approved the conversion of partial amount of unsecured loan (external commercial borrowings) outstanding in the name of Takahata Precision Pte. Limited., Singapore amounting to Rs. 900.00 Million into equity share capital. Consequent to the conversion, the Company allotted 90 million equity shares of Rs. 10 each to Takahata Precision Pte. Ltd., Singapore on a preferential basis on 13 June 2023.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the

c. Reconciliation of numbers of equity shares outstanding at the beginning and at the end of reporting year

	As at 31 March 2024		As at 31 March 2023		As at 01 April 2022	
	No. of shares	Rs. million	No. of shares	Rs. million	No. of shares	Rs. million
Opening balance	93.50	935.00	93.50	935.00	93.50	935.00
Issued during the year	90.00	900.00	-	-	-	-
Closing balance	<u>183.50</u>	<u>1,835.00</u>	<u>93.50</u>	<u>935.00</u>	<u>93.50</u>	<u>935.00</u>

d. Details of equity shareholders holding more than 5% shares in the Company

	As at 31 March 2024		As at 31 March 2023		As at 01 April 2022	
	No. of shares	% shareholding	No. of shares	% shareholding	No. of shares	% shareholding
<u>Equity shares of Rs. 10 each fully paid</u>						
SPR Ingenious Limited	113.77	62.00%	-	-	-	-
Takahata Precision Pte. Limited	69.73	38.00%	89.50	95.72%	89.50	95.72%

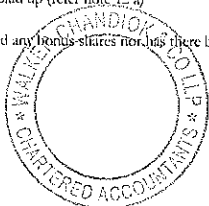
e. Details of shares held by promoters at the end of the year

	As at 31 March 2024			As at 31 March 2023			As at 01 April 2022		
	No. of shares	% shareholding	% change during the year	No. of shares	% shareholding	% change during the year	No. of shares	% shareholding	% change during the year
SPR Ingenious Limited	113.77	62.00%	100.00%	-	-	-	-	-	-
Takahata Precision Pte. Limited	69.73	38.00%	22.09%	89.50	95.72%	-	89.50	95.72%	-
Takahata Precision Co., Limited.	-	-	100.00%	4.00	4.28%	-	4.00	4.28%	-

f. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding 31 March 2024:

	For the year ended				
	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Equity shares allotted as fully paid up (refer note 12 a)	9,00,00,000.00	-	-	-	-

g. The Company has not issued any bonus shares nor has there been any buy-back of shares in the current year and preceding five years.



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13. Other Equity

Particulars	Reserves and surplus	Deemed equity contribution	Total
	Retained earnings		
Balance as at 01 April 2022	(1,023.74)		(1,023.74)
Profit/(loss) for the year	(88.57)		(88.57)
Other comprehensive income for the year	0.54		0.54
Balance as at 31 March 2023	(1,111.77)	-	(1,111.77)
Profit/(loss) for the year	129.94		129.94
Other comprehensive income for the year	(0.47)		(0.47)
Equity contribution on account of corporate guarantee		30.96	30.96
Balance as at 31 March 2024	(982.30)	30.96	(951.34)

Nature and purpose of reserves:

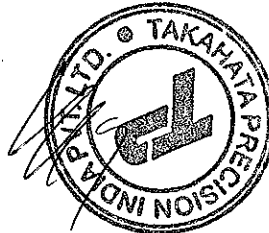
Retained Earning

Retained earnings refer to the net profit/(loss) retained by the Company for its core business activities. Also includes re-measurement gains on defined benefit plans.

Deemed equity contribution

Deemed equity contribution represents the deemed contribution by the Ultimate Holding Company for corporate guarantee for term loan obtained from HDFC Bank Limited amounting to Rs 1,100.00 million. (refer note 14)

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Notes to the financial statements for the year ended 31 March 2024

14. Borrowings (At amortised cost)	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
<u>Non current:</u>	Rs. million	Rs. million	Rs. million
Secured			
Term loans from banks*	1,072.80	-	-
Vehicle loans	-	0.26	0.86
Unsecured			
External commercial borrowings from related parties (refer note 32)	-	2,202.60	2,165.53
	<u>1,072.80</u>	<u>2,202.86</u>	<u>2,166.39</u>
Less : Current maturities of long term borrowings (refer note 18)	122.22	0.26	103.22
	<u>950.58</u>	<u>2,202.60</u>	<u>2,063.17</u>

Disclosure under Para 44A as set out in Ind AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Changes in liabilities arising from financing activities:

Rs. million

Particulars	Outstanding balance as at 01 April 2023	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as at 31 March 2024
Long term borrowings (including current maturities of long term borrowings)	2,202.86	(230.06)	900.00	1,072.80

Changes in liabilities arising from financing activities:

Rs. million

Particulars	Outstanding balance as at 01 April 2022	Net proceeds / (repayment) of borrowings	Non-cash changes	Outstanding balance as at 31 March 2023
Long term borrowings (including current maturities of long term borrowings)	2,166.39	(103.33)	139.80	2,202.86

* Term loans from bank of Rs.1100.00 million (previous year: nil) are secured by way of exclusive charge on all the current assets and movable and immovable fixed assets of the Company, present and future and further secured by corporate guarantee of the Holding Company.

The Company had obtained external commercial borrowings from Takahata Precision Pte Limited. The interest rate on these borrowings ranges from 2.5% - 9 % p.a . The same has been repaid during the year.
Vehicle loan has been obtained from HDFC Bank. The rate of interest on this loan was 8.75 % p.a . The same has been repaid during year ended 31 March 2024.

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SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

15. Provisions

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Non-current:			
Provision for gratuity (refer note 31)	10.13	8.25	7.18
Provision for compensated absences (refer note 31)	4.90	4.13	3.83
	<u>15.03</u>	<u>12.38</u>	<u>11.01</u>
Current:			
Provision for gratuity (refer note 31)	0.23	0.20	0.15
Provision for compensated absences (refer note 31)	0.34	0.28	0.26
	<u>0.57</u>	<u>0.48</u>	<u>0.41</u>

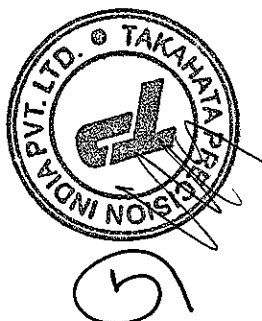
	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
16. Other liabilities			
Current:			
Revenue received in advance	-	2.04	3.30
Statutory dues	30.18	21.73	34.41
Others	34.67	0.20	0.20
	<u>64.85</u>	<u>23.97</u>	<u>37.91</u>

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
17. (i) Deferred tax assets (net)			
Deferred tax liability			
Impact of difference between tax depreciation and depreciation/ amortisation charged in books	(56.31)	(63.56)	(77.63)
	<u>(56.31)</u>	<u>(63.56)</u>	<u>(77.63)</u>
Deferred tax assets			
Provision for employee benefits	4.34	3.58	3.18
Provision for doubtful debts/advances	1.21	0.04	-
Business losses and unabsorbed depreciation	212.89	240.50	155.50
	<u>218.44</u>	<u>244.12</u>	<u>158.68</u>
Net deferred tax liability*	<u>-</u>	<u>-</u>	<u>-</u>

*On account of lack of virtual certainty of future taxable income, deferred tax assets have not been recognised.

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
(ii) Tax expense		
a) Current tax	3.45	-
b) Deferred tax	-	-
c) Tax related to earlier years	0.74	-

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SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

18. Short-term borrowings

(At amortised cost)

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Secured			
Current maturities of long term borrowing (refer note 14)	122.22	-	-
Vehicle loan	-	0.26	0.48
Unsecured			
Current maturities of long term borrowing (refer note 14)	-	-	102.74
	<u>122.22</u>	<u>0.26</u>	<u>103.22</u>

19. Trade payables

(At amortised cost)

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
- Total outstanding dues of micro enterprises and small enterprises	16.75	11.40	4.44
- Total outstanding dues of creditors other than micro enterprises and small enterprises	193.62	192.58	274.64
	<u>210.37</u>	<u>203.98</u>	<u>279.08</u>

Trade payable includes Rs. 45.47 million (31 March 2023: Rs. 42.50 million, 01 April 2022: Rs. 96.30 million) due to related parties (refer note 32)

Trade payables ageing schedule as on 31 March 2024 is as under:

Rs. million

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	16.75	-	-	-	16.75
(ii) Disputed dues – MSME	-	-	-	-	-	-
(iii) Others	-	192.77	0.85	-	-	193.62
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	209.52	0.85	-	-	210.37

Trade payables ageing schedule as on 31 March 2023 is as under:

Rs. million

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	11.40	-	-	-	11.40
(ii) Disputed dues – MSME	-	-	-	-	-	-
(iii) Others	-	191.79	0.79	-	-	192.58
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	203.19	0.79	-	-	203.98

Trade payables ageing schedule as on 01 April 2022 is as under:

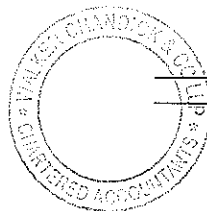
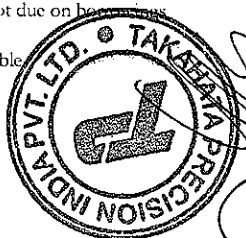
Rs. million

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	4.44	-	-	-	4.44
(ii) Disputed dues – MSME	-	-	-	-	-	-
(iii) Others	-	267.47	-	7.17	-	274.64
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	271.91	-	7.17	-	279.08

20. Other financial liabilities

(At amortised cost)

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Current:			
Interest accrued but not due on borrowings	7.32	12.83	16.23
Capital creditors	14.68	2.39	5.28
Employee related payable	18.26	4.27	2.74
	<u>40.26</u>	<u>19.49</u>	<u>24.25</u>



SPR Takahata Precision India Private Limited
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21. Revenue from operations

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Sale of products	2,655.65	2,024.88
Sale of service	2.02	2.58
Other operating revenues - sale of scrap	17.41	16.34
	2,675.08	2,043.80
Contract balances		
	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million
Revenue received in advance (refer note 16) *	-	2.04
Contract liabilities - Revenue received in advance	-	-
	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million
Opening balance of contract liabilities	2.04	3.30
Less: Amount of revenue recognised against opening contract liabilities	2.04	3.30
Add: Addition in balance of contract liabilities for current year (net of refunds)	-	2.04
Closing balance of contract liabilities	-	2.04

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Revenue as per contracted price	2,689.59	2,043.97
Adjustments		
Less: Sales return	21.45	15.52
Less: Discount/ price adjustments	12.49	3.57
Revenue from contract with customer	2,655.65	2,024.88

Performance obligation

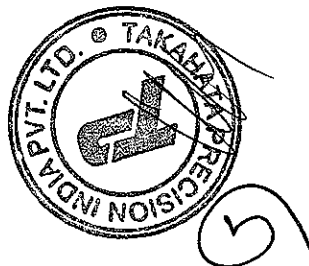
Information about Company's performance obligation is summarised below:

Sales of products

Revenue from sales of products is recognised at a point in time when control is transferred to the customer.

Sales of services

Revenue from sale of services is recognised on accrual basis and when services are provided.



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22. Other income

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Interest income*		
- Bank deposits	9.68	4.19
- Others	2.29	0.41
Net gain on sale/fair valuation of current investment**	0.45	-
Other non-operating income	0.18	0.55
	12.60	5.15

* underlying assets on which income is recognised are carried at amortised cost

** includes Rs 0.45 million (31 March 2023: nil) on assets on which income is recognised at fair value through profit and loss.

23. Cost of material consumed

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Raw material at the beginning of the year	137.77	186.22
Add: Purchases	1,771.32	1,170.68
Less: Raw materials at the end of the year	146.15	137.77
	1,762.94	1,219.13

24. (Increase) / decrease in inventories of finished goods and work-in-progress

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Inventories at the end of the year		
Work-in-progress	56.99	50.01
Finished goods	79.94	65.91
	136.93	115.92
Inventories at the beginning of the year		
Work-in-progress	50.01	45.36
Finished goods	65.91	54.35
	115.92	99.71
(Increase) / decrease in inventories of finished goods and work-in-progress	(21.01)	(16.21)



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Notes to the financial statements for the year ended 31 March 2024

25. Employee benefits expense

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Salaries and wages	159.23	154.67
Contribution to provident and other funds	17.18	14.20
Staff welfare expenses	26.73	24.52
	203.14	193.39

26. Finance costs

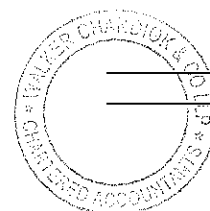
	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Interest expense		
- on borrowings	84.53	171.01
- on others	3.77	-
	88.30	171.01

27. Depreciation and amortisation expense

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
- Depreciation on property, plant and equipment (refer note 3)	181.86	222.52
- Depreciation on right-of-use assets (refer note 6)	0.31	0.33
- Amortisation of other intangible assets (refer note 5)	1.70	1.83
	183.87	224.68

28. Other expenses

	Year ended 31 March 2024 Rs. million	Year ended 31 March 2023 Rs. million
Rent	6.65	6.06
Power and fuel	81.41	70.62
Travelling and conveyance expenses	28.21	28.43
Communication	2.82	2.75
Insurance	9.50	8.11
Auditor's remuneration (refer note 29)	1.60	0.93
Membership and subscription fee	0.50	0.20
Security expenses	4.75	4.34
Rates and taxes	12.30	1.77
Printing and stationery	1.98	1.95
Legal and professional expenses	6.61	7.34
Freight, transport and handling charges	14.62	16.79
Other manufacturing expenses	10.16	4.30
Repairs and maintenance:		
Plant and machinery	27.23	30.42
Other	8.08	4.04
Sub-contracting expenses	54.58	47.79
Provision for doubtful debts/advance/deposits(net)	4.20	0.15
Loss on sale of property, plant and equipment	0.06	-
Director's fees	0.15	-
Business promotion expenses	2.02	2.92
Loss on foreign exchange (net)	7.73	62.45
Royalty	44.62	40.12
Miscellaneous expenses	6.53	4.04
	336.31	345.52



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29. Payment to auditor

(excluding goods and service tax, as applicable)

	Year ended 31 March 2024	Year ended 31 March 2023
	Rs. million	Rs. million
As auditor:		
- Audit fee	1.40	0.93
- Reimbursement of expenses	0.20	-
	1.60	0.93

30. Earnings per share (EPS)

	Year ended 31 March 2024	Year ended 31 March 2023
Profit/ (loss) attributable to equity shareholders (Rs. million)	129.94	(88.57)
Weighted average number of equity shares (Nos. million)	165.55	93.50
Earning per share		
- Basic (Rs.)	0.78	(0.95)
- Diluted (Rs.)	0.78	(0.95)

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31. Employee benefits

The Company has classified the various employee benefits as under :

i) Defined contribution plans

The Company has recognised the following amount in the statement of profit and loss:

	Year ended 31 March 2024	Year ended 31 March 2023
	Rs. million	Rs. million
Employers' contribution to Provident fund	9.03	7.45
Employers' contribution to State Insurance fund	1.10	1.06
	10.13	8.51

ii) Defined benefit plans - Gratuity

In accordance with Ind AS 19, actuarial valuation of defined benefit plans was done for Gratuity and details of the same are given below :

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	Rs. million	Rs. million
Amount recognized in statement of profit and loss		
Current service cost	2.04	1.66
Net interest cost on defined benefit/ liability	0.63	0.53
Total expense recognised in the Statement of Profit and loss	2.67	2.19
Actual contribution and benefit payments for the year		
Actual benefit payments	1.23	0.53
Actual contributions	-	-
	1.23	0.53
Net (asset) / liability recognised in the Balance Sheet		
Present value of defined benefit obligation	10.36	8.45
Fair value of plan assets	-	-
Net (asset) / liability recognised in the Balance Sheet	10.36	8.45
Provision for gratuity		
Current	0.23	0.20
Non-current	10.13	8.25
Change in defined benefit obligations (DBO) during the year		
Present value of defined benefit obligations at beginning of the year	8.45	7.33
Current service cost	2.04	1.66
Net interest cost (income)	0.63	0.53
Remeasurement of defined benefit obligations (actuarial (gains)/losses)		
- Changes in financial assumptions	0.23	(0.18)
- Experience variance	0.24	(0.36)
Benefits paid	1.23	0.53
Present value of DBO at the end of the year	10.36	8.45
Amount recognised in other comprehensive income		
Actuarial (gains)/ losses		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	0.23	(0.18)
- Experience variance	0.24	(0.36)
	0.47	(0.54)



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Actuarial assumptions for Gratuity	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate	7.25%	7.39%
Salary escalation	6.00%	6.00%
i) Retirement age (years)	58	58
ii) Mortality table used	100 % of IALM (2012-14)	100% of IALM (2012-14)
iii) Attrition at ages:	Withdrawal	Withdrawal
	Rate (%)	Rate (%)
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

Estimate of the future salary increase is based on factors such as inflation, seniority, promotions, demand and supply in employment market.

Particulars	Year ended 31 March 2024		Year ended 31 March 2023		
	Impact on liability		Impact on liability		
	Increase Rs. million	Decrease Rs. million	Increase Rs. million	Decrease Rs. million	
Discount rate	+50 basis points	-	0.90	-	0.75
	-50 basis points	(0.81)	-	(0.67)	-
Salary growth rate	+50 basis points	0.80	-	0.68	-
	-50 basis points	-	(0.75)	-	(0.61)

The sensitivity due to mortality and withdrawals are not material and hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

Risk factors in actuarial assumptions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- A) Salary increases- Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment risk – If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality and disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

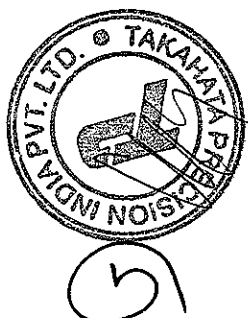
Regulatory framework/ Governance / Benefits under the plan:

The gratuity benefit is a post employment benefit. It is calculated at the terminal salary (Basic+VDA) at the time of separation of the employee according to the provisions of Payment of Gratuity Act, 1972. However, there is no restriction on the maximum amount of gratuity payable.

iii) Compensated absences

	Year ended 31 March 2024	Year ended 31 March 2023
	Rs. million	Rs. million
Present value of obligation	5.25	4.41
Net assets / (liability) recognized in balance sheet	(5.25)	(4.41)
Provision for compensated absences		
Current	0.34	0.28
Non-current	4.90	4.13

An amount of Rs 4.38 million (31 March 2023: Rs 3.50 million) pertains to expenses towards compensated absences and is included in "employee benefit expenses".



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Notes to the financial statements for the year ended 31 March, 2024

32. Related party disclosure

As per Indian Accounting Standard – 24 the Company's related parties and transactions with them are disclosed below :

A. List of related parties:

Ultimate Holding Company	Shriram Pistons & Rings Limited (w.e.f 16 October 2023)
Holding Company	SPR Engenious Limited (w.e.f 16 October 2023)
Key management personnel	Shri Krishnakumar Srinivasan, Chairman (w.e.f 16 October 2023) Shri Nobuyuki Ako, Director Shri Deepak Dimri, Managing Director Shri Chandan Kumar, Whole-time Director Smt. Ferida Chopra, Director (w.e.f 08 November 2023) Shri Alok Ranjan, Director (w.e.f 08 November 2023) Shri Pankaj Gupta, Director (w.e.f 16 October 2023) Shri Arun Kumar Shukla, Director (w.e.f 16 October 2023) Shri Prem Prakash Rathi, Director (w.e.f 16 October 2023)
Entity over which , Key Management Personnel, Associate Company and their close members of the family has significant influence or control	Takahata Precision Co., Limited. (Ultimate Holding Company till 16 October 2023) Takahata Precision Thailand Limited Takahata Precision Vietnam Co Limited Takahata Shen Zhen Co Limited Takahata Precision Pte. Limited (holding company till 16 October 2023) Takahata Precision Tennessee Takahata Precision Yamanashi Co. Limited Takahata Precision Espana S.L. SPR EMF Innovations Private Limited (formerly EMF Innovations Private Limited)
Fellow Subsidiary	



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B. Related party transactions

(i) Transactions during the year

Rs. million

Particulars	Ultimate Holding Company		Entity over which, Key management personnel and their Close members of the family has significant influence or control		Key management personnel (KMP)		Total	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Remuneration								
Nobuyuki Ako	-	-	-	-	-	13.78	-	13.78
Deepak Dimri*	-	-	-	-	7.27	6.00	7.27	6.00
Chandan Kumar*	-	-	-	-	6.72	5.67	6.72	5.67
Sitting fees to Ferida Chopra	-	-	-	-	0.08	-	0.08	-
Sitting fees to Alok Ranjan	-	-	-	-	0.08	-	0.08	-
Interest on external commercial borrowings								
Takahata Precision Pte Limited	-	-	46.05	82.02	-	-	46.05	82.02
Royalty								
Takahata Precision Co., Limited.	-	-	44.62	40.12	-	-	44.62	40.12
Reimbursement of expenses								
Takahata Precision Co., Limited.	-	-	10.57	15.47	-	-	10.93	15.47
Shriram Pistons and Rings Limited	0.36	-	-	-	-	-	-	-
Purchase of goods								
Takahata Precision Co., Limited.	-	-	23.59	14.67	-	-	23.59	14.67
Takahata Precision Thailand Limited	-	-	105.35	93.89	-	-	105.35	93.89
Takahata Shen Zhen Co Limited	-	-	-	0.69	-	-	-	0.69
Takahata Precision Yamanashi Co. Limited	-	-	0.68	-	-	-	0.68	-
Repayment of external commercial borrowings								
Amount paid for providing resources and facilities	0.34	-	-	-	-	-	0.34	-
Share issued during the year								
Takahata Precision Pte Limited	-	-	900.00	-	-	-	900.00	-
Sale of products								
Takahata Precision Tennessee	-	-	-	6.79	-	-	-	6.79
Takahata Precision Espana S. L.	-	-	-	7.98	-	-	-	7.98
Takahata Precision Co., Limited.	-	-	0.35	1.70	-	-	0.35	1.70
Takahata Precision Yamanashi Co. Limited	-	-	0.58	-	-	-	0.58	-

(i) *KMP's also participate in post employment benefits of the Company. The amount in respect of these towards the KMP's can not be segregated as these are based on actuarial valuation for all employees of the Company.

(ii) The transactions with related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions.

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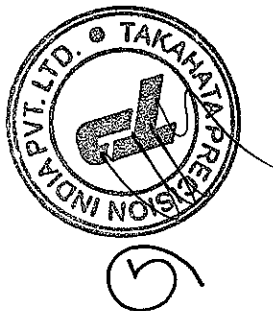
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SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

C. Related party transactions
(ii) Balances due from/to the related parties

Particulars	Ultimate Holding Company			Entity over which , Key management personnel and their Close members of the family has significant influence or control			Total		
	31 March 2024	31 March 2023	01 April 2022	31 March 2024	31 March 2023	01 April 2022	31 March 2024	31 March 2023	01 April 2022
Long term borrowings									
External commercial borrowings									
Takahata Precision Pte Limited	-	-	-	-	2,202.60	2,176.51	-	2,202.60	2,176.51
Interest Payable									
Takahata Precision Pte Limited	-	-	-	-	12.83	16.23	-	12.83	16.23
Royalty payable									
Takahata Precision Co., Limited	-	-	-	10.36	-	-	10.36	-	-
Amount payable/(recoverable)									
Shriram Pistons & Rings Limited	0.37	-	-	-	-	-	0.37	-	-
Takahata Precision Co., Limited	-	-	-	8.87	26.15	65.65	8.87	26.15	65.65
Takahata Precision Thailand Limited	-	-	-	25.23	16.35	23.24	25.23	16.35	23.24
Takahata Precision Espana S. L.	-	-	-	-	(7.98)	-	-	(7.98)	-
Takahata Shen Zhen Co Limited	-	-	-	-	-	4.94	-	-	4.94
Takahata Precision Tennessee	-	-	-	-	(4.33)	2.47	-	(4.33)	2.47
Takahata Precision Yamanashi Co. Limited	-	-	-	0.63	-	-	0.63	-	-
Deepak Dimri	-	-	-	0.01	-	-	0.01	-	-

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SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

33. Information pursuant to clause 3 (vii) (b) of the Companies (Auditor's Report) order, 2020 in respect of disputed dues, not deposited as at 31 March 2024, pending with various authorities:

Name of the Statute	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (various years covering the period)	Amount involved* (Rs. million)	Amount unpaid (Rs. million)	Amount paid (Rs. million)
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2012-13	3.98	3.98	-
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2017-18	21.05	-	7.84
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2018-19	6.10	6.10	-
Income tax Act, 1961	Income tax	Appellate authority up to Commissioners' level	Assessment Year 2020-21	4.63	4.63	-
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Adjudicating Authority	From July 2017 to March 2021	0.89	0.89	-
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Adjudicating Authority	From July 2017 to March 2021	0.45	0.43	0.02
Goods and Services Tax Act 2017	Goods and Services tax Act 2017	Asst. Commissioner, CGST Commissionerate, Alwar	July 2017 to September 2023	62.55	0.41	62.14

* amount as per demand orders including interest and penalty wherever quantified in the order. All the above disputed statutory dues are covered under the indemnity clause of share purchase agreement dated 09 February 2023 held between SPR Engenius Limited and Takahata Precision Co., Limited.

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Notes to the financial statements for the year ended 31 March 2024

34. Right-of-use assets :

The changes in the carrying value of right of use assets for the year ended 31 March 2024 are as follows:

Particulars	Rs. million
	Right-of-use asset
Balance as of 01 April 2022	28.61
Addition	-
Amortisation of right-of-use asset	(0.33)
Balance as of 31 March 2023	28.28
Balance as of 01 April 2023	28.28
Addition	-
Deletion	-
Amortisation of right-of-use asset	(0.31)
Balance as of 31 March 2024	27.97

The Company's leasing activity by type and nature of right-of-use asset recognised on balance sheet is given below :

	No. of right of assets taken on lease	Range of remaining term (in years)	Average remaining lease term (in years)
Land			
- 31 March 2024	1	86	86
- 31 March 2023	1	87	87
- 1 April 2022	1	88	88

35. Segment reporting

The Company is engaged in a single segment i.e. the business of "automotive components" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical information in respect of sale of products/services from customers is given below:

	Year ended 31 March 2024	Year ended 31 March 2023
	Rs. million	Rs. million
Domestic	2,674.17	2,026.12
Export	0.92	17.68
	2,675.09	2,043.80

Notes:

- a) There are no material non-current asset domiciled outside India.
b) During financial year ended 31 March 2024, two customer amounting to Rs 445.76 million (31 March 2023: 495.96 million) represents 10% or more of the Company's revenue from operations.

36. Micro, Small and Medium enterprises as defined under the MSMED Act

The status of vendors under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is based on certificate submitted by vendors about their coverage under the provisions of MSMED Act, 2006.

	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 01 April 2022
	Rs. million	Rs. million	Rs. million
Amount remaining unpaid to suppliers under MSMED as at the end of year			
- Principal amount *	16.75	11.40	4.44
- Interest due thereon	-	-	-
Amount of payments made to suppliers beyond the appointed day during the year			
- Principal amount	-	-	-
- Interest actually paid under section 16 of MSMED	-	-	-
Amount of interest due and payable for delay in payment (which has been paid but beyond the appointed day during the year) but without adding interest under MSMED	-	-	-
Interest accrued and remaining unpaid at the end of the year			
- Interest accrued during the year	-	-	-
- Interest remaining unpaid as at the end of the year	-	-	-
Interest remaining disallowable as deductible expenditure under the Income tax Act, 1961	-	-	-



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37. Contingent liabilities

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Claim against the company disputed and not acknowledged as debts			
- Goods and Services Tax (refer note 33)	63.88	-	-
- Income tax (refer note 33)	35.74	-	-
- Interim relief to workers #	2.38	-	-

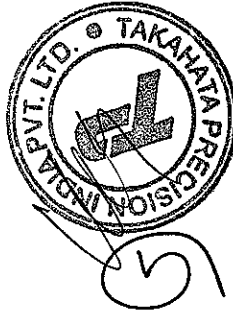
All the above matters are subject to legal proceedings in the ordinary course of business. In the opinion of the management, the legal proceedings, when ultimately concluded, will not have a material effect on operations or the financial position of the Company.

This relates to interim relief to workers

38. Capital Commitments

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	2.24	9.21	-

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Notes to the financial statements for the year ended 31 March 2024

39. Fair value measurement

i) Financial assets and financial liabilities that are measured at amortised cost are :

(Rs. million)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
	Carrying amount	Carrying amount	Carrying amount
Financial assets			
Trade and other receivables	322.32	305.44	272.65
Cash and cash equivalents	205.95	91.10	147.10
Other bank balances	110.00	178.20	99.00
Security deposits	13.19	9.93	10.28
Interest accrued on bank deposits	2.17	-	1.57
Financial liabilities			
Borrowings	1,072.80	2,202.86	2,166.39
Interest accrued but not due on borrowings	7.32	12.85	16.23
Trade payables	210.36	203.98	279.08
Capital creditors	14.68	2.39	5.28
Employee related payable	18.26	4.27	2.74

*There are not any financial assets and liabilities that are measured at fair value as at balance sheet date.

40. Capital management

The Company's objective for managing capital is to ensure as under:

- i) Ensure the company's ability to continue as a going concern
- ii) Maintain a strong credit rating and debt equity ratio in order to support business and maximize the shareholders' value.
- iii) Maintain an optimal capital structure.
- iv) Compliance of financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company and net debt includes total liabilities, comprising interest bearing loans and borrowings less cash and cash equivalents.

	As at 31 March 2024 Rs. million	As at 31 March 2023 Rs. million	As at 01 April 2022 Rs. million
Gearing ratio			
Borrowings (refer note 14 and 18) (including current maturities)	1,072.80	2,202.86	2,166.39
Less: cash and bank balances (refer note 11)	315.95	269.30	246.10
Adjusted net debt (A)	756.85	1,933.56	1,920.29
Equity	883.66	(176.77)	(88.74)
Total equity (B)	883.66	(176.77)	(88.74)
Total equity and net debt [C=A+B]	1,640.51	1,756.79	1,831.55
Gearing ratio (A/C)	46.14	110.06	104.85

The Company manages its capital structure keeping in view of:

- i) Compliance of financial covenants under the borrowing facilities
- ii) Changes in economic conditions

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facility in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company and net debt includes total liabilities, comprising interest bearing loans and borrowings.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Company).



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Notes to the financial statements for the year ended 31 March, 2024

41. Financial risk management

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that it derives directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, PVTPPL current investments.

a) Foreign exchange risk

The Company is exposed to foreign exchange risk through its sales and purchases from overseas in foreign currencies mainly in USD, THB and JPY. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations may be adversely affected as the rupee appreciates/ depreciates against these currencies.

Sensitivity

Each percentage point change in the foreign exchange rates has an impact on profit before tax as follows:

	As at 31 March 2024	Increase / (decrease) As at 31 March 2023	As at 01 April 2022
	Rs. million	Rs. million	Rs. million
Exchange rate - increase in by 1%	(0.74)	(18.49)	(17.82)
Exchange rate - decrease by 1%	0.74	18.49	17.82

The Company's foreign currency risk from financial instruments are as under:

(Foreign currency million)

Particulars	Currency	As at 31 March 2024			As at 31 March 2023			As at 01 April 2022		
		Total	Hedged	Net	Total	Hedged	Net	Total	Hedged	Net
Trade and other receivables	USD	-	-	-	0.15	-	0.15	0.00	-	0.00
	THB	-	-	-	-	-	-	-	-	-
	JPY	-	-	-	-	-	-	-	-	-
	GBP	-	-	-	-	-	-	-	-	-
Trade payables	USD	0.21	-	0.21	0.40	-	0.40	0.42	-	0.42
	THB	19.88	-	19.88	8.04	-	8.04	18.78	-	18.78
	JPY	4.46	-	4.46	7.76	-	7.76	59.65	-	59.65
	GBP	-	-	-	-	-	-	-	-	-
Capital creditors	JPY	-	-	-	-	-	-	-	-	-
Borrowings	USD	-	-	-	21.81	-	21.81	23.31	1.50	21.81
Interest accrued on borrowings	USD	-	-	-	0.09	-	0.09	0.22	-	0.22

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Company enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

The Company is not exposed to any significant /material interest rate risk.

Sensitivity

Variable interest rate loan are exposed to interest rate risk, impact on profit before tax may be as follows:

	As at 31 March 2024	Increase / (decrease) As at 31 March 2023	As at 01 April 2022
	Rs. million	Rs. million	Rs. million
Interest rate - increase by 0.50%	(5.36)	(11.01)	(10.83)
Interest rate - decrease by 0.50%	5.36	11.01	10.83

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by Company's established policy and procedures.

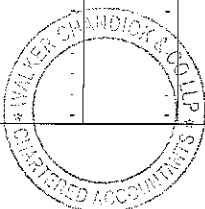
Movement in the expected credit loss allowance of financial assets

(Rs. million)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 01 April 2022
Balance at beginning of the year	-	-	-
Add: Provided during the year	4.11	-	-
Less: Amount written off	-	-	-
Balance at the end of the year	4.11	-	-

The ageing analysis of trade receivables (net) before adjustment of expected credit loss provision of ₹ 4.11 million (31 March 2023: nil and 1 April 2022: nil) as of the reporting date is as follows:

Age Bracket	Less than 6 months	6 month to 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024						
Trade receivable (gross)	295.67	17.56	13.20	-	-	326.43
Less: Allowance for expected credit loss	-	0.11	4.00	-	-	4.11
Trade receivable (net)	295.67	17.45	9.20	-	-	322.32
Expected credit loss %	-	0.65%	30.29%	-	-	1.26%
As at 31 March 2023						
Trade receivable (gross)	302.95	0.24	2.25	-	-	305.45
Less: Allowance for expected credit loss	-	-	-	-	-	-
Trade receivable (net)	302.95	0.24	2.25	-	-	305.45
Expected credit loss %	-	-	-	-	-	-
As at 01 April 2022						
Trade receivable (gross)	272.65	-	-	-	-	272.65
Less: Allowance for expected credit loss	-	-	-	-	-	-
Trade receivable (net)	272.65	-	-	-	-	272.65
Expected credit loss %	-	-	-	-	-	-



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SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March, 2024

iii) Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. Liquidity risk is managed by Company's established policy and procedures made under liquidity risk management framework. The Company manages liquidity risk by maintaining adequate reserves, banking facilities, and reserve borrowing facilities, by continuously forecast and actual cash flows, and by matching the maturity profile of financial assets and liabilities.

The financial assets and liabilities have been appropriately disclosed in financial statements as current and non-current portion. The maturity period of non current financial assets and financial liabilities are as follows:

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
	Rs. million	Rs. million	Rs. million
On demand			
- Borrowings	-	-	-
Less than 1 year			
- Borrowings	122.22	0.26	103.22
- Trade payables	210.37	203.98	279.08
- Other financial liabilities	40.26	19.49	24.25
More than 1 year			
- Borrowings	950.38	2,202.60	2,063.17

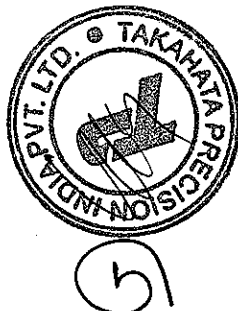
iv) Commodity risk

Commodity price risk is the financial risk on the Company's profitability upon fluctuations in the prices of commodities since they are primarily driven by external market forces. Sharp fluctuations in commodity prices can affect production costs, product pricing and earnings. This price volatility makes it imperative for an entity to manage the impact of commodity price fluctuations across its value chain to effectively manage its financial performance and profitability. To mitigate these risks, the Company employs multiple levers, each chosen based on a cost benefit analysis and the extent of exposure to commodity price fluctuations. These include assessing the feasibility of passing any adverse fluctuations onto customers through price increases, continuously engaging in cost optimisation initiatives and process improvement exercises. The Company also explores options such as localizing imports/ implementing global sourcing strategies to ensure most cost effective sourcing. Based on the assessment by the Company and after factoring the ability to optimise costs and pass on prices to customers, no individual commodity is expected to have a significant adverse impact on the financial performance/profitability beyond its materiality threshold approved by the Board.

v) Other price risks

The Company has deployed its surplus funds into various financial instruments including units of mutual funds. The Company is exposed to NAV (net asset value) price risks arising from investments in these funds. The value of these investments is impacted by movements in interest rates, liquidity and credit quality of underlying securities.

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SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

42.

(i) During the year ended 31 March 2024, the Company identified following accounting errors pertaining to previous years i.e. 31 March 2023 and 1 April 2022 and appropriately corrected in these financial statements in accordance with the requirements of Ind AS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" read with Ind AS 101, "First-time Adoption of Indian Accounting standards". Refer below the reclassified/regrouped amount in the previous year amount.

Reconciliation of balance sheet as at 1 April 2022 and 31 March 2023:

Particulars	1 April 2022			
	Previous GAAP*	Impact of errors	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment	1,546.65	-	(28.61)	1,518.04
b) Capital work-in-progress	2.00	-	-	2.00
c) Other intangible assets	5.69	-	-	5.69
d) Right-of-use assets	-	-	28.61	28.61
e) Financial assets				
(i) Other financial assets	10.26	(1.52)	-	8.74
f) Other non-current assets	-	21.32	-	21.32
g) Deferred tax assets (net)	-	-	-	-
	1,564.60	19.80	-	1,584.40
Current assets				
a) Inventories	304.08	(13.59)	-	290.49
b) Financial assets				
(i) Trade receivables	322.41	(49.75)	-	272.65
(ii) Cash and cash equivalents	147.10	0.00	-	147.10
(iii) Other bank balances other than (i) above	99.00	-	-	99.00
(iv) Other financial assets	1.57	1.54	-	3.11
c) Other current assets	31.50	2.05	-	33.56
	905.66	(59.75)	-	845.91
TOTAL ASSETS	2,470.26	(39.95)	-	2,430.31
EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	935.00	-	-	935.00
b) Other equity	(1,010.16)	(13.59)	-	(1,023.74)
	(75.16)	(13.59)	-	(88.74)
Liabilities				
Non-current liabilities				
a) Financial liabilities				
(i) Borrowings	2,165.91	(102.74)	-	2,063.17
b) Provisions	11.01	-	-	11.01
	2,176.92	(102.74)	-	2,074.18
Current liabilities				
a) Financial liabilities				
(i) Borrowings	0.48	102.74	-	103.22
(ii) Trade payables	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	-	4.44	-	4.44
- Total outstanding dues of creditors other than micro enterprises and small enterprises	314.83	(40.21)	-	274.64
(iii) Other financial liabilities	24.56	(0.31)	-	24.25
b) Other current liabilities	28.20	9.71	-	37.91
c) Provisions	0.11	-	-	0.11
	368.50	76.37	-	444.87
TOTAL EQUITY AND LIABILITIES	2,470.26	(39.95)	-	2,430.31



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SFR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

Particulars	31 March 2023			
	Previous GAAP*	Impact of errors	Effect of transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment	1,344.03	-	(28.28)	1,315.75
b) Capital work-in-progress	5.41	-	-	5.41
c) Other intangible assets	6.18	-	-	6.18
d) Right-of-use assets	-	-	28.28	28.28
e) Financial assets				
(i) Other financial assets	9.93	(1.19)	-	8.74
f) Other non-current assets	-	34.19	-	34.19
g) Deferred tax assets (net)	-	-	-	-
	1,365.55	33.00	-	1,398.55
Current assets				
a) Inventories	272.60	(15.54)	-	257.06
b) Financial assets				
(i) Trade receivables	342.77	(37.33)	-	305.44
(ii) Cash and cash equivalents	91.10	0.00	-	91.10
(iii) Other bank balances other than (ii) above	178.20	-	-	178.20
(iv) Other financial assets	0.02	1.19	-	1.21
c) Other current assets	105.87	(51.04)	-	54.83
	990.56	(102.72)	-	887.84
TOTAL ASSETS	2,356.11	(69.72)	-	2,286.39
EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	935.00	-	-	935.00
b) Other equity	(1,096.23)	(15.54)	-	(1,111.77)
	(161.23)	(15.54)	-	(176.77)
Liabilities				
Non-current liabilities				
a) Financial liabilities				
(i) Borrowings	2,202.60	-	-	2,202.60
b) Provisions	12.38	-	-	12.38
	2,214.98	-	-	2,214.98
Current liabilities				
a) Financial liabilities				
(i) Borrowings	0.03	0.23	-	0.26
(ii) Trade payables	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	-	11.40	-	11.40
- Total outstanding dues of creditors other than micro enterprises and small enterprises	216.93	(24.35)	-	192.58
(iii) Other financial liabilities	19.16	0.33	-	19.49
b) Other current liabilities	63.76	(41.79)	-	23.97
c) Provisions	0.48	-	-	0.48
	302.36	(54.18)	-	248.18
TOTAL EQUITY AND LIABILITIES	2,356.11	(69.72)	-	2,286.39

Reconciliation of total comprehensive income for the year ended 31 March 2023

Particulars	Previous GAAP*	Impact of errors	Effect of transition to Ind AS	Ind AS
Revenue from operations	2,124.01	(80.21)	-	2,043.80
Other income	5.15	-	-	5.15
(I) Total income	2,129.16	(80.21)	-	2,048.95
Cost of materials consumed	1,295.84	(76.71)	-	1,219.13
(Increase) / decrease in inventories of finished goods and work-in-progress	(12.75)	(3.46)	-	(16.21)
Employee benefits expense	226.12	(32.19)	(0.54)	193.39
Finance costs	82.07	-	88.94	171.01
Depreciation and amortisation expense	224.68	-	-	224.68
Other expenses	399.27	35.19	(88.94)	345.52
(II) Total expenses	2,215.23	(77.17)	(0.54)	2,137.52
(III) Profit/(loss) before tax (I-II)	(86.07)	(3.04)	0.54	(88.57)
(IV) Tax expense	-	-	-	-
(V) Profit/(loss) for the year (III-IV)	(86.07)	(3.04)	0.54	(88.57)
(VI) Other comprehensive income	-	-	0.54	0.54
(VII) Total comprehensive income (V+VI)	(86.07)	(3.04)	1.08	(88.03)

* The previous figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

(ii) First time adoption

These are the first financial statements of SPR Takahata Precision India Private Limited (formerly Takahata Precision India Private Limited), prepared in accordance with Ind AS. As of and for the year ended 31 March 2023, the Company had prepared its financial statements in accordance with Indian Generally Accepted Accounting Principles as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) (GAAP), which was the previous GAAP. For the purpose of transition to Ind AS the Company has followed the guidance prescribed in Ind AS 101 - "First Time adoption of Indian Accounting Standard", with 1 April 2022 as the transition date.

Transition to Ind AS

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosure in the notes thereto and accounting policies. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2024 and the comparative information. Accordingly, the Company has prepared financial statements which comply with Ind AS for periods ending on 31 March 2024, together with the comparative period data as at and for the year ended 31 March 2023. In preparing these Ind AS compliant financial statements for the year ended 31 March 2024 and 31 March 2023 respectively, the Company prepared its opening Ind AS Balance Sheet by adjusting the amounts previously reported in the Balance sheet as at 31 March 2022. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and financial performance are set out in note 42 (i).

(A) Ind AS 101 optional exemptions availed and mandatory exceptions

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS:

(a) Optional exemptions availed

Ind-AS 101 allows first time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

i) Property, plant and equipment, right-of-use assets and other intangible assets

Ind AS 101 permits, a first time adopter to use carrying amounts of property, plant and equipment, right-of-use assets and other intangible assets as recognized in its previous GAAP as deemed cost at the transition date. Accordingly, the Company has taken the previous GAAP carrying value of property, plant and equipment, right-of-use assets and other intangible assets as at 31 March 2022 as the cost of property, plant and equipment, right-of-use assets and other intangible assets as at 1 April 2022 in the financial statements.

(b) Ind AS mandatory exceptions

i) Estimates

An entity's estimates in accordance with the Ind AS's at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in the accounting policies), unless there is objective evidence that those estimates were in error. The Company's estimates under Ind AS as at 1 April 2022 are consistent with the estimates as at the same date made in the conformity with the previous GAAP.

ii) Classification and measurement of financial assets and liabilities

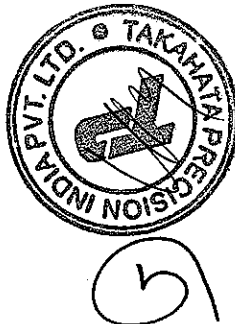
The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on the facts and circumstances existing at the date of transition. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of the asset. The measurement exemption applies for financial liabilities as well. Accordingly, the Company has determined the classification of financial assets and financial liabilities based on facts and circumstances that existed on the date of transition.

Notes to first time adoption

(i) Remeasurements of defined benefit obligations

Under Ind AS, remeasurements of defined benefit obligations i.e. actuarial gains and losses are recognized in other comprehensive income. Accordingly, the Company recognized actuarial gains or losses under other comprehensive income/loss whereas under the previous GAAP, the Company recognized actuarial gains and losses in the statement of profit and loss.

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SPR Takahata Precision India Private Limited
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Notes to the financial statements for the year ended 31 March 2024

43. Additional regulatory information

Particulars	Unit	Numerator	Denominator	Year ended 31 March 2024	Year ended 31 March 2023	Variance %
Current ratio*	Times	Total current assets	Total current liabilities	2.24	3.58	(37%)
Debt-Equity ratio**	Times	Debt consist of borrowings	Total Equity	1.21	(12.46)	(110%)
Debt service coverage ratio**	Times	Earnings for Debt service= Net profit after tax + depreciation + interest	Debt service = Interest and lease payments+ Principal repayments	0.17	1.48	(88%)
Return on equity ratio***	%	Profit for the year	Average total equity	36.76	66.72	(45%)
Inventory turnover ratio****	Times	Cost of Goods sold	Average inventory	6.45	4.39	47%
Trade receivables turnover ratio****	Times	Sales of products	Average trade receivables	8.46	7.01	21%
Trade payables turnover ratio****	Times	Cost of material + other expenses	Average trade payable	10.03	6.41	56%
Net capital turnover ratio****	Times	Sales of products	Average working capital (i.e Total current assets less Total current liabilities)	4.49	3.17	42%
Net profit ratio****	%	Profit for the year	Sales of products	4.89	(4.37)	(212%)
Return on capital employed****	%	Profit before tax and finance cost	Capital employed = Tangible net worth + Debt	11.40	4.08	179%
Return on investment****	%	Income generated from invested funds	Average invested funds in treasury investment	0.02	0.01	160%

*The increase in on account of increase in current liabilities on account of increase in current maturities of long term borrowings.

** The variance is on account of repayment of external commercial borrowings during the current year.

*** The variance is on account of increase in profitability and issuance of share capital during the current year.

**** The variance is on account of increase in revenue from operations/cost of goods/total equity sold during the current year.

***** The variance is on account of increase in average invested funds during the current year.

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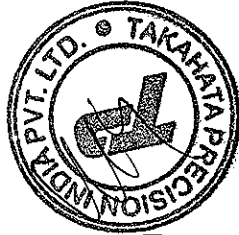
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SPR Takahata Precision India Private Limited
(formerly Takahata Precision India Private Limited)
Notes to the financial statements for the year ended 31 March 2024

44. Other statutory information

- (i) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) The Company does not have transactions with companies struck-off from Register of Companies.
- (iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (iv) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any funds from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
- (vii) The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.
- (viii) The Company does not have any charges or satisfaction which is yet to be registered with register of companies beyond the statutory period.

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Notes to the financial statements for the year ended 31st March 2024

45. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023.

The Company has used Tally Prime 2.1 as its accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) but the same was not enabled from 1 April 2023 to 24 April 2023. Subsequently, the Company has migrated to Tally Prime Edit Log 4.0 on 24 April 2023, which includes an audit trail (edit log) feature for recording all relevant transactions.

In terms of our report attached

For Walker Chandiook & Co LLP
Chartered Accountants

Firm Registration No.: 001076N/N500013

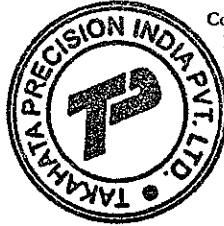
Arun Tandon

Arun Tandon
Partner

Membership No. 517273



Place : New Delhi
Date: 13 May 2024



Nidhi Kandwal
Nidhi Kandwal
Company Secretary
Place : New Delhi

For and on behalf of the Board of Directors

Krishnakumar Srinivasan

Krishnakumar Srinivasan
Chairman
DIN : 00692717
Place : New Delhi

Alok Ranjan

Alok Ranjan
Director
DIN: 08254398
Place : Lucknow

Deepak Dimri

Deepak Dimri
Managing Director
DIN: 03344410
Place : New Delhi

Chandan Kumar

Chandan Kumar
Whole time Director
DIN: 09596404
Place : New Delhi