



### INDEPENDENT AUDITOR'S REPORT

To the Members of **Roto Energy Systems Limited**

#### Report on the Audit of the Ind AS Financial Statements

##### Opinion

We have audited the accompanying Ind AS financial statements of **Roto Energy Systems Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

##### Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

##### Emphasis of Matter

We draw attention to the Note No. 28.01 wherein it is stated that "during the Financial Year 2023-24 company has started its commercial production from 5th February 2024". As informed by the management till the end of 3rd quarter (FY2023-24), the company's product was under development phase. Company has started revenue generation activity since 4<sup>th</sup> quarter (FY 2023-24). Our opinion is not modified in respect of this matter.

*Rupali Seys*

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## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Other Information or another title if appropriate, such as "Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Annual report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 Ind AS Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended]. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



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

### **Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Ind AS 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

### Report on Other Legal and Regulatory Requirements

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

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

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

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

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

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Ind AS financial statements.


(B) 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:

- a) The Company does not have any pending litigations which would impact its financial position.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

e). The company has not declared or paid any dividend during the year.

f). Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2024.

Based on our examination which included test checks, the company has used an accounting software for maintaining its books of accounts for the Financial Year ended March 31, 2024 which has a feature of recoding audit trail (Edit Log) facility and the same has operated 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 the audit trail features being tampered with.

"As the proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit Auditors and) Rules 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ending 31st March 2024.

For A. KAY MEHRA & CO.

Chartered Accountants

(Firm Registration No -050004C)

*Deepak Suneja*

CA. Deepak Suneja

Partner

(Membership No-501957)



Place- Delhi

Date- 27/05/2024

UDIN- 24501957BKBFMT8853

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ROTO ENERGY SYSTEMS LIMITED of even date)

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2024, we report the following:

(i). In respect of the Company's fixed assets:

- a) (1) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- (2) The Company has maintained proper records showing full particulars of Intangible Assets.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the company, all the fixed assets have been physically verified by the management during the year according to a regular program which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancy was noticed on such verification. According to the information and explanation given to us, the company has not disposed-off substantial part of fixed assets during the year under review.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is not holding any immovable property under the head property, plant and equipment during the year and hence the provisions of the clause 1 (c) of the Order are not applicable to the Company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the company, revaluation is not done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year.
- e) There are no proceedings 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 for the Financial Year.

(ii). In respect of the Inventories: -

- (a) According to the information and explanations given to us, inventories were physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in



relation to the size of the company and the nature of its business. The company has maintained proper records of inventories and no material discrepancies.

- (b) During the Financial Year Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- (c) Company has been sanctioned working capital limits of Rs. 5 cores from DBS Bank against corporate guarantee from parent company Roto Pumps Ltd. No quarterly returns or statements are filed by the company with financial institutions or banks in agreement with the books of account of the Company.

(iii). According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not made investments in, provided any guarantee or security or any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.

(iv.) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not granted any loan, making investments and providing guarantees and securities. Hence compliance with the provisions of Sections 185 and 186 of the Act is not applicable.

(v). The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi). According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii). According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no transaction which are not recorded in the accounts have been disclosed or surrendered before the tax authorities as income during the year.

(ix). According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not defaulted in the repayment of dues to banks.

*Rupali Singh*  


(x) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(xi). (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, 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.

(c) There are no whistle blower complaints received during the year hence this clause 3(xi)(c) is not applicable to the company.

(xii). The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

(xiii). In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

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

(xviii) There has been no resignation of the statutory auditor during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of

*Rupak Sengupta*  

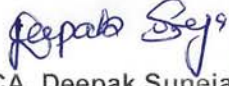

Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For A. KAY MEHRA & CO.

Chartered Accountants

(Firm Registration No -050004C)

  
CA. Deepak Suneja

Partner

(Membership No-501957)

Place- Delhi

Date- 27/05/2024

UDIN-24501957BKBFMT8853



## **ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and



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

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

### **Meaning of Internal Financial Controls with Reference to Financial Statements**

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

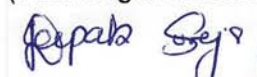
### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For A. KAY MEHRA & CO.**

**Chartered Accountants**

**(Firm Registration No -050004C)**



**CA. Deepak Suneja**

**Partner**

**(Membership No-501957)**

**Place- Delhi**

**Date- 27/05/2024**

**UDIN-24501957BKBFMT8853**



**ROTO ENERGY SYSTEMS LIMITED**  
**CIN - U29120UP2021PLC144352**  
**31, Sector Ecotech XII Greater Noida Gautam Buddha Nagar UP 201008**  
**Balance Sheet as on 31st March 2024**

		(Amount INR Lakhs)	
Particulars	Note No	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b>NON -CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	2	262.81	-
(b) Capital work-in-progress	3	-	422.45
(c) Right- to- Use Assets	4	59.07	123.52
(d) Intangible assets	5	307.18	-
(e) Deferred Tax Assets (Net)	6	46.02	16.97
<b>TOTAL NON-CURRENT ASSETS</b>		<b>675.08</b>	<b>562.94</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	7	38.85	-
(b) Financial Assets			
(i) Trade receivables	8	1.97	-
(ii) Cash and cash equivalents	9	1.25	8.04
(iii) Bank balances other than (ii) above		-	-
(iv) Loans		-	-
(v) Other financial assets	10	17.25	17.25
(c) Other current assets	11	108.54	90.42
<b>TOTAL CURRENT ASSETS</b>		<b>167.86</b>	<b>115.71</b>
<b>TOTAL ASSETS</b>		<b>842.94</b>	<b>678.65</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a) Equity Share Capital	12	500.00	500.00
b) Other Equity	13	(221.72)	(81.98)
<b>TOTAL EQUITY</b>		<b>278.28</b>	<b>418.02</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease Liabilities	14(a)	0.00	67.14
(b) Provisions		-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>0.00</b>	<b>67.14</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	15	455.06	90.00
(ii) Lease Liabilities	14(b)	67.14	64.88
(iii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16	0.23	0.27
Total outstanding dues of creditors other than micro enterprises and small enterprises		15.05	13.37
(b) Other liabilities	17	21.29	22.08
(c) Provisions	18	5.89	2.89
<b>TOTAL CURRENT LIABILITIES</b>		<b>564.66</b>	<b>193.49</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>842.94</b>	<b>678.65</b>
The Significant Accounting policies and accompanying notes mentioned are an integral part of financial statements	1-28		

As per our report of even dates attached

For A. Kay Mehra & Co.  
Chartered Accountants  
(FRN: 0050004C)  
  
Deepak Suneja  
Partner  
Membership No.: 501957  
Place: Delhi  
Date:- 27.05.2024  
UDIN- 24501957BKBfmt8853



For and on behalf of the Board

  
(HARISH CHANDRA GUPTA)  
Director  
(DIN : 00334405)

  
(ANURAG GUPTA)  
Director  
(DIN : 00334160)

**ROTO ENERGY SYSTEMS LIMITED**

**CIN - U29120UP2021PLC144352**

**31, Sector Ecotech XII Greater Noida Gautam Buddha Nagar UP 201008**

**Statement of Profit & Loss for the year ended 31st March 2024**

(Amount INR Lakhs)

Particulars	Note No	For Year ended 31st March, 2024	For Year ended 31st March, 2023
<b>INCOME</b>			
Revenue from Operations	19	3.00	-
Other Income	20	0.19	0.14
<b>TOTAL INCOME</b>		3.19	0.14
<b>EXPENSES</b>			
Cost of Materials consumed	21	27.81	-
Change in Inventories of Finished goods and Work in Progress	22	-26.83	-
Employee Benefits Expense	23	30.61	-
Finance Costs	24	33.62	13.63
Depreciation & Amortisation Expense	25	77.28	64.45
Other Expenses	26	30.29	4.92
<b>TOTAL EXPENSES</b>		172.78	83.00
Profit/(Loss) before Tax		(169.59)	(82.86)
Tax expenses			
Current tax		-	-
Deferred Tax	6	28.93	14.22
Short/(Excess) Provisions- earlier years		-	-
<b>Profit/(Loss) for the year</b>		-140.66	-68.64
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement of Defined benefit plans		0.79	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.13	-
<b>Total Other Comprehensive Income/(Loss) for the Year (Net of Tax)</b>		0.92	-
<b>Total comprehensive income for the year</b>		-139.74	-68.64
<b>Earnings per equity share:</b>			
Basic and Diluted (Face value Rs.10 per equity share)		(2.81)	(1.67)
The Significant Accounting policies and accompanying notes mentioned are an integral part of financial statements	1-28		

As per our report of even dates attached

For A. Kay Mehra & Co.

Chartered Accountants

(FRN: 0050004C)

Deepak Suneja

Partner

Membership No.: 501957

Place: Delhi

Date:- 27.05.2024

UDIN- 24501957BKBFMT8853



For and on behalf of the Board

*[Signature]*

(HARISH CHANDRA GUPTA)

Director

(DIN : 00334405)

*[Signature]*

(ANURAG GUPTA)

Director

(DIN : 00334160)

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2024**

(Amount INR Lakhs)

PARTICULARS	Year Ended 31ST MARCH 2024	Year Ended 31ST MARCH 2023
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit / (Loss) before tax	(169.59)	(82.86)
Adjustment for :		
Depreciation	77.28	64.45
Finance Cost	25.75	-
Remeasurement of defined benefit liabilities	0.79	
Interest on Lease Liabilities	7.87	12.49
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<b>(57.91)</b>	<b>(5.93)</b>
<b>Movement in working capital</b>		
Adjustments for (increase)/decrease in operating assets:		
Other current financial assets	-	0.10
Trade receivables	(38.85)	-
Inventories	(1.97)	-
Other current assets	(18.12)	(66.32)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	1.64	7.91
Other current liabilities	(0.77)	13.88
Provisions	3.00	1.82
<b>Cash generated from operations (A)</b>	<b>(112.98)</b>	<b>(48.53)</b>
Direct Tax Paid (Net)	-	-
<b>Net cash generated from operating activities</b>	<b>(112.98)</b>	<b>(48.53)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Payment of Property , Plant and Equipment	(0.66)	-
Payment of Capital Work In Progress	(159.71)	(322.00)
Net (Gain)/Loss on fair valuation of derivative contract		
<b>Net Cash used in Investing Activities (B)</b>	<b>(160.37)</b>	<b>(322.00)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Share issue	-	290.00
Proceeds/(repayment) of Loans from Parent Company	(90.00)	90.00
Interest Paid	(25.75)	-
Proceeds/(repayment) of Loans from Bank	455.06	-
Payment against Lease Liabilities	(72.75)	(69.29)
<b>Net Cash used in Financing Activities</b>	<b>266.56</b>	<b>310.71</b>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(6.79)</b>	<b>(59.82)</b>
Cash and Cash Equivalents as at the beginning of the year	8.04	67.86
<b>Cash and Cash Equivalents as at the end of the year (Note No -5)</b>	<b>1.25</b>	<b>8.04</b>

For A. Kay Mehra & Co.

Chartered Accountants

(FRN: 0050004C)

Deepak Suneja  
Partner


Membership No.: 501957

Place: Delhi

Date:- 27.05.2024

UDIN- 24501957BKBFMT8853

For and on behalf of the Board

  
**(HARISH CHANDRA GUPTA)**  
 Director  
 (DIN :00334405)

  
**(ANURAG GUPTA)**  
 Director  
 (DIN : 00334160)

**ROTO ENERGY SYSTEMS LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**

**A EQUITY SHARE CAPITAL**

Particulars	Amount (INR Lakhs)
Balance as at 31st March, 2022	210.00
Changes in equity share capital during the year 2022-23	290.00
Balance as at 31st March, 2023	500.00
Changes in equity share capital during the year 2023-24	-
Balance as at 31st March, 2024	500.00

**B OTHER EQUITY**

Particulars	Reserves and Surplus			Total Equity
	Securities Premium	General Reserve	Retained Earnings	
As at 1st April 2022	-	-	(13.34)	(13.34)
Profit/(loss) for the year 2022-23			(68.64)	(68.64)
Other comprehensive income for the year 2022-23 (net of tax)			-	-
Remeasurement of Net defined benefit liability/(asset) (net of tax)			(68.64)	(68.64)
Total comprehensive income for the year	-	-	(81.98)	(81.98)
As at 31st March, 2023	-	-	(81.98)	(81.98)
Profit/(loss) for the year 2023-24			(140.66)	(140.66)
Other comprehensive income for the year 2023-24 (net of tax)			-	-
Remeasurement of Net defined benefit liability/(asset) (net of tax)			0.92	0.92
Total comprehensive income for the year	-	-	(139.74)	(139.74)
As at 31st March, 2024	-	-	(221.72)	(221.72)

For A. Kay Mehra & Co.

Chartered Accountants

(FRN: 0050004C)

Deepak Suneja

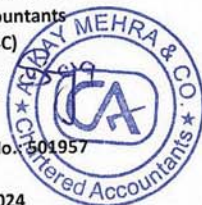
Partner

Membership No. 501957

Place: Delhi

Date:- 27.05.2024

UDIN- 24501957BKBFT8853



*[Signature]*

(HARISH CHANDRA GUPTA)

Director

(DIN : 00334405)

*[Signature]*

(ANURAG GUPTA)

Director

(DIN : 00334160)

## ROTO ENERGY SYSTEMS LIMITED

CIN - U29120UP2021PLC144352

### 1. SIGNIFICANT ACCOUNTING POLICIES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2024

#### Company Overview

ROTO ENERGY SYSTEMS LIMITED referred to as "RESL" or "the Company" was incorporated on 26<sup>th</sup> March 2021. "RESL" is a wholly owned subsidiary company of ROTO PUMPS LIMITED. The company is engaged in manufacturing of solar pumps and parts of solar pumps. During the Financial Year 2023-24 Company's has started its commercial production.

#### 1.1 Statement of Significant Accounting Policies

**Basis of Preparation:** The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the other relevant provisions of the Acts and Rules thereunder.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.


The Financial Statements have been prepared under historical cost convention basis, except for certain assets and liabilities measured at fair value.

The Company's presentation and functional currency is Indian Rupees (INR). All figures appearing in the financial statements are shown in absolute figures.

#### 1.1. Key Accounting Estimates and Judgements

The preparation of Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with Contingent Liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgements in applying accounting policies that have the most significant effect on the financial statements are as below:

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- Financial Instruments;
- Estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets;
- Valuation of Inventories;
- Measurement of Defined Benefit Obligations and actuarial assumptions;
- Measurement and likelihood of occurrence of provisions and Contingencies
- Evaluation of recoverability of Deferred tax assets; and
- Measurement of Lease Liabilities and Right to Use Asset.

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods in which the estimates are revised and in any future periods affected.

## **1.2. Property, Plant and Equipment**

- 1.2.1. Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.2.2. The initial cost of an asset comprises its purchase price (including non-refundable import duties and taxes), any costs directly attributable to bringing the asset at the location and condition necessary for it to be capable of operating in the manner intended by the management, the initial estimate of any decommissioning obligation, if any, and borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- 1.2.3. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company over the period.
- 1.2.4. Spare parts which meet the definition of Property, plant and equipment are capitalized as Property, plant and equipment in case the unit value of spare part is above the threshold limit. In other cases, the spare parts are inventoried on procurement and charged to Statement of Profit and Loss on consumption.
- 1.2.5. An item of Property, plant and equipment and any significant part initially recognized separately as part of Property, plant and equipment is de-recognized upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets is included in the Statement of Profit and Loss.
- 1.2.6. The residual value and useful lives of Property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in line with the revisions to accounting estimates.
- 1.2.7. The Company has elected to use exemption available under Ind AS 101 to continue with the carrying value for all its Property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition (1<sup>st</sup> April, 2016).



### 1.3. Depreciation

Depreciation on Property, plant and equipment are provided on the Written down value, over the estimated useful lives of the assets (after retaining the estimated residual value of up-to 5%). These useful lives are determined are in line with the useful lives as prescribed in the Schedule III of the Act.

- 1.3.1. Components of the main assets that are significant in value and have different useful lives as compared to the main asset are depreciated over their estimated useful life. Useful life of such components has been assessed based on historical experience and internal technical assessment.
- 1.3.2. Depreciation on Spare parts specific to an item of Property, plant and equipment is based on life of the related Property, plant and equipment. In other cases, the spare parts are depreciated over their estimated useful life based on the technical assessment.
- 1.3.3. Items of Property, plant and equipment costing not more than the threshold limit are depreciated at 100% in the year of acquisition.
- 1.3.4. Depreciation is charged on additions/ deletions on pro-rata basis from the date of addition/deletion.

### 1.4. Intangible Assets

- 1.4.1. Intangible Assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Expenditure on internally generated intangibles, excluding development costs, are not capitalized and is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalized if, and only if, technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.
- 1.4.2. Intangible assets with indefinite useful lives, such as right of way which is perpetual and absolute in nature, are not amortized, but are tested for impairment annually. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If not, the change in useful life from indefinite to finite is made on a prospective basis. The impairment losses on intangible assets with indefinite useful life are recognized in the Statement of Profit and Loss.
- 1.4.3. Expenditure incurred for creating/ acquiring other intangible assets above the threshold limit from which future economic benefits will flow over a period of time, is amortized over the estimated useful life of the asset or ten years, whichever is lower, on a straight line basis, from the time the intangible asset starts providing the economic benefit. In other cases, the expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred. The amortization period and the amortization method for an intangible asset with finite life are reviewed at each year end. The amortization expense on intangible assets with finite useful lives and impairment losses in case there is an indication that the intangible asset may be impaired, are recognized in the Statement of Profit and Loss.



### 1.5. Investment Property

- 1.5.1. Investment Property is property (land or a building – or part of a building – or both) held either to earn rental income or for capital appreciation or both, held for currently undetermined future use, but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purposes. Investment Properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- 1.5.2. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and carrying amount of the Investment Property is recognized in Statement of Profit and Loss.
- 1.5.3. The residual value and the useful life of an asset is reviewed at least at each financial year –end and, if expectations differ from previous estimates, the change (s) is accounted with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors. & Ind AS 16- Property, Plant & Equipment.

### 1.6. Borrowing Costs

- 1.6.1. Borrowing cost consists of interest and other costs incurred in connection with the borrowing of funds.
- 1.6.2. Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowings costs are charged to the Statement of Profit and Loss.
- 1.6.3. Investment income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

### 1.7. Non-current assets held for sale

- 1.7.1. Non-current assets classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets.
- 1.7.2. Non-current assets classified as held for sale are measured at lower of carrying amount and fair value less costs to sell.
- 1.7.3. Property, plant and equipment and intangible assets classified as held for sale are not depreciated or amortized.

### 1.8. Leases

The Company has adopted Ind AS 116 effective from date of incorporation using modified retrospective approach.

- 1.8.1. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic



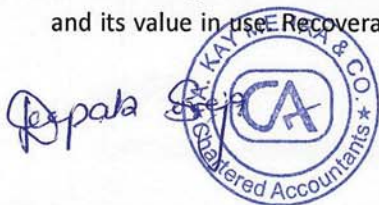
benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

- 1.8.2. As a lessee, the Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- 1.8.3. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.
- 1.8.4. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.
- 1.8.5. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments.
- 1.8.6. The lease liability is measured at amortized cost using the effective interest method. The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.
- 1.8.7. The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight line basis

over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

#### **1.9. Impairment of Non-financial assets**

- 1.9.1. Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. The recoverable amount is higher of the assets or Cash-Generating Units (CGUs) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset



does not generate cash inflows that are largely independent of those from other assets or groups of assets.

- 1.9.2. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

#### **1.10. Inventories**

1.10.1. Inventories are stated at cost or net realizable value, whichever is lower. Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis and are determined on the following basis:

- Raw materials, work in progress, stores, tools and other materials are determined on First in First out basis.
- Finished goods are determined by considering the standard conversion cost.

1.10.2. Customs duties on raw materials/ finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to the consignee.

1.10.3. Raw materials held for use in the production of finished goods are not written down below cost except in cases where raw material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

1.10.4. Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and valued at the net estimated realization cost.

#### **1.11. Revenue Recognition**

##### **1.11.1. Sale of Goods**

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of goods have been passed to the buyer, the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company.

Revenue from sale of goods is measured at fair value of the consideration received or receivable (after including fair value allocations related to multiple deliverable and/or linked arrangements), net of returns, taxes or duties collected on behalf of the government and applicable trade discounts or rebates.

Where the Company acts as an agent on behalf of a third party, the associated income is recognized on net basis.

##### **1.11.2. Sale of Services**

Income from services rendered is recognized based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.



#### 1.11.3. Multiple Element Contracts

For revenue arrangements having more than one deliverable, at the inception of the arrangement, the Company evaluates all deliverables in the arrangement to determine whether they represent separately identifiable components of the following two conditions are met:

- The deliverable has value to the customer on a standalone basis and
- There is evidence of the fair value of the item.

The total arrangement consideration is allocated to each separate component based on its relative fair value.

#### 1.11.4. Interest and Dividend Income

Interest income is recognized using Effective Interest Rate (EIR) method.

Dividend is recognized when right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

1.11.5. Income from sale of scrap is accounted on billing basis and customer takes title.

#### 1.12. Classification of Income/ Expense

1.12.1. Income/ Expenditure (net) in aggregate pertaining to prior year (s) above the threshold limit are corrected retrospectively in the first set of financial statements approved for issue after their discovery by restating the comparative amount and/ or restating the opening Balance sheet for the earliest prior period presented.

1.12.2. Prepaid expenses are charged to revenue over the period.

1.12.3. Deposits places with Government agencies/ local authorities which are perpetual in nature are charged to revenue in the year of payment.

#### 1.13. Employee Benefits

##### 1.13.1. Short-term employee benefits

Short-term employee benefits are recognized as an expense at an undiscounted premium in the Statement of Profit and Loss of the year ended in which related services are rendered.

##### 1.13.2. Post-Employment Benefits

##### Defined Contribution Plans:

Obligations for contributions to defined contribution plans such as pension are recognized as an expense in the Statement of Profit and Loss as the related service is provided. Prepaid



contributions are recognized as an asset to the extent that cash fund in future payments is available.

**Defined Benefit Plans:**

The Company's net obligation in respect of defined benefit plans such as gratuity, other post-employment benefits etc., is calculated separately for each plan by estimating the amount of future benefit that the employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed at each reporting period end by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of the economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The current service cost of the defined benefit plan, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The net interest is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This net interest is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurements which comprise of actuarial gains and losses, the return on plan assets (excluding amounts included in the net interest on net defined benefit liability (asset)) and the effect of the asset ceiling (if any, excluding amounts included in the net interest on the net defined benefit liability (asset)), are recognized in other comprehensive income.

**1.13.3. Other long-term employee benefits**

Liability towards other long term employee benefits – leave encashment and long service awards etc., are determined on actuarial valuation by qualified actuary by using Projected Unit Credit Method.

The current service cost of other long terms employee benefits, recognized in the Statement of Profit and Loss as part of employee benefit expense, reflects the increase in the obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the Statement of Profit and Loss. The interest cost is calculated by applying the discount rate to the balance of the obligation. This cost is included in employee benefit expense in the Statement of Profit and Loss. Re-measurements are recognized in the Statement of Profit and Loss.

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#### 1.13.4. Termination benefits

Expenditures on account of Voluntary Retirement Scheme are charged to Statement of Profit and Loss.

#### 1.14. Foreign Currency Transactions

##### 1.14.1. Monetary Items

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of Profit and Loss either as profit or loss foreign currency transaction and translation.

##### 1.14.2. Non-monetary items

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### 1.15. Government Grants

1.15.1. Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

1.15.2. When the grant relates to an expense item, it is recognized in Statement of Profit and Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

1.15.3. Government grants relating for Property, plant and equipment are presented as deferred income and are credited to the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset.

#### 1.16. Provisions, Contingent Liabilities and Commitments

1.16.1. Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

1.16.2. The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

1.16.3. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in provision due to the passage of time is recognized as a finance cost.

1.16.4. Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not



probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability.

- 1.16.5. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

#### **1.17. Fair Value Measurement**

- 1.17.1. The Company measures certain financial instruments at fair value at each reporting date.
- 1.17.2. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
- 1.17.3. 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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of the liability also reflects its non-performance risk.
- 1.17.4. The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.
- 1.17.5. While measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation technique as follows:
- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
  - Level 2 – Inputs other than quoted prices included in Level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
  - Level 3 – inputs for the assets or liability that are not based on observable market data (unobservable inputs)
- 1.17.6. When quoted prices in active market for an instrument are available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset and liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- 1.17.7. If there is no quoted price in an active market for an instrument is available, the Company measures the fair value of the instrument using that price. A market is regarded as active if transactions for the asset and liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

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

## **1.18. Financial Assets**

### **1.18.1. Initial Recognition and measurement**

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets are initially recognized at fair value when the Company becomes a party to the contractual provisions of the instrument. All financial assets other than those measured subsequently at fair value through profit and loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

### **1.18.2. Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, the Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

#### **Debt instruments at amortized cost**

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset held within business model whose objective is:

- To hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium or fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

#### **Debt instruments at Fair value through Other Comprehensive Income (FVOCI)**

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

The asset is held within business model whose objective is achieved by both

- Collecting contractual cash flows and selling financial assets and



- Contractual terms of the asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognized in the Statement of Profit and Loss. Other net gains and losses are recognized in other comprehensive income.

#### **Debt instruments at Fair value through Profit and Loss (FVTPL)**

Fair Value through Profit or Loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVOCI, is classified as FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognized in the Statement of Profit and Loss.

#### **Equity Investments**

All equity investments within the scope of Ind AS 109 are measured at fair value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the Company decides to classify the same either as FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in Other Comprehensive Income (OCI). Dividends on such equity instruments are recognized in the Statement of Profit or Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### **1.18.3. De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's Balance Sheet) when

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or



- The Company has neither transferred not retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments are measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

#### **1.18.4. Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and debt instruments measured at FVOCI.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets such as debt securities and bank balances, the loss allowance is measured at 12 month ECL only if there is no significant deterioration in the credit risk since initial recognition of the asset or asset is determined to have a low credit risk at the reporting date.

### **1.19. Financial Liabilities**

#### **1.19.1. Initial recognition and measurement**

Financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial liability is initially measured at fair value less, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

#### **1.19.2. Subsequent measurement**

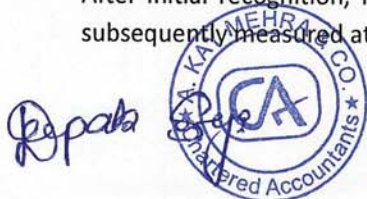
Subsequent measurement is determined with reference to the classification of the respective financial liabilities.

##### **Financial liabilities at Fair value through Profit and Loss (FVTPL)**

A financial liability is classified as at Fair Value through Profit or Loss (FVTPL) if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognized in Statement of Profit and Loss.

##### **Financial liabilities at Amortized Cost**

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortized cost using the effective interest rate ("EIR") method.



Amortized cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The amortization done using the EIR method is included as finance costs in the Statement of Profit and Loss.

#### 1.19.3. De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

#### 1.20. Financial Guarantees

Financial guarantee contracts issued by the Company are those contracts that will require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognized less cumulative amortization.

#### 1.21. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

#### 1.22. Taxes on Income

##### 1.22.1. Current Tax

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to complete the amount are those that are enacted or substantively enacted, by the end of the reporting period.

Current tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

##### 1.22.2. Deferred Tax

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

Deferred tax liabilities are recognized for all taxable temporary differences.



Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred Tax items are recognized in correlation to the underlying transaction either in the Statement of Profit and Loss, other comprehensive income or directly in equity.

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

#### **1.23. Earnings per Share**

1.23.1. Basic earnings per share are calculated by dividing the profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

1.23.2. For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period is adjusted for the effect of all dilutive potential equity shares.

#### **1.24. Classification of Assets and Liabilities as Current and Non-current**

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act.

#### **1.25. Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet include cash at bank, cash, cheque on hand, Remittance in Transit, Term Deposit, which are subject to an insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, Cash and cash equivalents include cash at bank, cash, cheque on hand, Remittance in Transit and Bank balances other than cash and cash equivalents include Earmarked balances with bank and Term deposits.

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**1.26. Cash Flows**

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

2 PROPERTY, PLANT AND EQUIPMENT

(Amount in INR Lakhs)

Particulars	DEEMED COST/GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTIZATION			NET BLOCK		
	Balance as at 31st March, 2023	Additions/Reclassification	Disposals/Reclassification	Balance as at 31st March, 2024	Balance as at 31st March, 2023	Depreciation/Amortization expenses	Eliminated/Addition on disposals/Reclassification of assets	Balance as at 31st March, 2024	Balance as at 31st March, 2023
Plant and Machinery	-	254.01	-	254.01	-	7.05	-	7.05	-
Furniture and Fixtures	-	9.00	-	9.00	-	0.36	-	0.36	-
Office Equipment	-	4.34	-	4.34	-	0.30	-	0.30	-
Computers	-	3.50	-	3.50	-	0.34	-	0.34	-
Total	-	270.86	-	270.86	-	8.05	-	8.05	-

\* Company has charged depreciation on PPE from the date of commencement of production w.e.f 05.02.2024.

3 CAPITAL WORK-IN-PROGRESS

(Amount in INR Lakhs)

CARRYING AMOUNT	As at 31st March, 2023	Additions/Reclassification	Capitalised/Disposals/Reclassification	As at 31st March, 2024
Capital work-in-progress	422.45	159.71	582.16	-
Total	422.45	159.71	582.16	-

CWIP aging schedule as on 31.03.2024

Capital work in progress	Year Wise CWIP Details				
	Less Than 1 year	1 to 2 years	2 to 3 Years	More than 3 Year	Total
Project in Progress	-	-	-	-	-
Greater Noida	-	-	-	-	-
Total	-	-	-	-	-

CWIP aging schedule as on 31.03.2023

Capital work in progress	Year Wise CWIP Details				
	Less Than 1 year	1 to 2 years	2 to 3 Years	More than 3 Year	Total
Project in Progress	-	-	-	-	-
Greater Noida	322.00	100.45	-	-	422.45
Total	322.00	100.45	-	-	422.45

4 Right- to- Use Assets

(Amount in INR Lakhs)

Particulars	DEEMED COST/GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTIZATION			NET BLOCK		
	As at 31st March, 2023	Additions/Reclassification	Disposals/Reclassification	Balance as at 31st March, 2024	As at 31st March, 2023	Depreciation/Amortization expenses	Eliminated/Addition on disposals/Reclassification of assets	Balance as at 31st March, 2024	As at 31st March, 2023
Right- to- Use Assets	193.34	-	-	193.34	69.82	64.45	-	134.27	123.52
Total	193.34	-	-	193.34	69.82	64.45	-	134.27	123.52

5 INTANGIBLE ASSETS

(Amount in INR Lakhs)

Particulars	DEEMED COST/GROSS BLOCK			ACCUMULATED DEPRECIATION/AMORTIZATION			NET BLOCK		
	Balance as at 31st March, 2023	Additions/Reclassification	Disposals/Reclassification	Balance as at 31st March, 2024	Balance as at 31st March, 2023	Depreciation/Amortization expenses	Eliminated/Addition on disposals/Reclassification of assets	Balance as at 31st March, 2024	Balance as at 31st March, 2023
Technical Design and Drawings	-	311.76	-	311.76	-	4.78	-	4.78	-
Trademark and Patents	-	0.20	-	0.20	-	0.00	-	0.00	-
Total	-	311.96	-	311.96	-	4.78	-	4.78	-

i) Trade Mark, Technical Design and Drawings, SAP software and Patents has been amortized over the period of 10 years.

\* Company has charged depreciation on intangible assets from the date of commencement of production w.e.f 05.02.2024.

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Chartered Accountants

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

**6 DEFERRED TAX ASSETS/LIABILITIES**

PARTICULARS	(Amount in INR Lakhs)	
	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
<b>Deferred Tax Liability</b>		
Carrying Value of Property, Plant & Equipment and Others	8.01	-
<b>TOTAL DTL</b>	<b>8.01</b>	<b>-</b>
<b>Deferred Tax Assets</b>		
Prelim Exp Disallowed	0.02	0.02
Provision of Gratuity & Leave Encashment	1.01	-
Loss Carry forward	51.63	15.50
Difference of IND AS 116 Leases accounting treatment	1.38	1.46
<b>TOTAL DTA</b>	<b>54.03</b>	<b>16.97</b>
<b>NET DEFERRED LIABILITIES/(ASSETS)</b>	<b>(46.02)</b>	<b>(16.97)</b>

**i) Income Tax Recognised in Statement of Profit and Loss**

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
<b>Current Tax Expenses(A)</b>		
Current Year	-	-
Short/(Excess) provision of earlier years	-	-
<b>Deferred Tax expenses (B)</b>		
Origination and reversal of temporary differences	(28.93)	(14.22)
<b>Tax expense recognized in the income statement (A+B)</b>	<b>(28.93)</b>	<b>(14.22)</b>

**ii) Reconciliation of Effective Tax Rates**

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
	%	Amount (Rs.)	%	Amount (Rs.)
<b>Profit before Tax</b>		(169.59)		(82.86)
<b>Other Comprehensive Income</b>		-		-
Tax using the company's domestic tax rate	17.16%	(29.10)	17.16%	(14.22)
<b>Tax effect of</b>				
Non-deductible tax expenses	0%	0.17	0%	(0.00)
(Profit) Loss on sale/discard/impairment of fixed assets	0%	-	0%	-
Short/(Excess) provision of earlier years	0%	-	0%	-
Interest on Income Tax	0%	-	0%	-
Others	0%	-	0%	-
<b>Effective Income Tax rate</b>	<b>17.06%</b>	<b>(28.93)</b>	<b>17.16%</b>	<b>(14.22)</b>

**iii) Movement of Deferred Tax (Assets) & Liabilities**

Particulars	Balance as on 1st April 2023	Recognised in P&L during 2023-24	Recognised in OCI during 2023- 24	Balance as on 31st March 2024
Property, plant & equipment ( Includes Intangible Assets)	-	8.01	-	8.01
Prelim Exp Disallowed	(0.02)	(0.00)	-	(0.02)
Loss Carry forward	(15.50)	(36.13)	-	(51.63)
Provision of Gratuity & Leave Encashment	-	-	-	(1.01)
Difference of IND AS 116 Leases accounting treatment	(1.46)	0.08	-	(1.38)
<b>Total (Assets)/Liabilities (Net)</b>	<b>(16.98)</b>	<b>(28.04)</b>	<b>-</b>	<b>(46.02)</b>

**iv) Unrecognised Deferred Tax (Assets)/Liabilities**

There are no temporary differences on which Deferred Tax (Assets)/Liabilities have not been recognised for the year ended 31st March 2024.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

**7 INVENTORIES**

PARTICULARS	(Amount in INR Lakhs)	
	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
a) Raw Materials	11.88	-
b) Work in Process	-	-
c) Finished Goods	26.83	-
d) Finished Goods-In Transit		0
e) Scrap and Wastage	0.14	0
<b>TOTAL</b>	<b>38.85</b>	<b>-</b>

**8 TRADE RECEIVABLES**

PARTICULARS	(Amount in INR Lakhs)	
	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
Unsecured unless stated otherwise (Considered Good)		
Trade Receivables	1.97	
Less - Allowance for bad and doubtful debts	-	
<b>TOTAL</b>	<b>1.97</b>	<b>-</b>

i) No trade receivable are due from directors either severally or jointly with any other person.

**9 CASH AND CASH EQUIVALENTS**

PARTICULARS	(Amount in INR Lakhs)	
	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
i) Cash and cash equivalents		
a) Balance with banks	-	7.57
b) Cash in Hand	1.25	0.47
c) Term Deposit	-	-
<b>TOTAL</b>	<b>1.25</b>	<b>8.04</b>

**10 OTHER FINANCIAL ASSETS**

PARTICULARS	(Amount in INR Lakhs)	
	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
a) Interest accrued on Bank deposits	-	-
b) Security Deposits	17.25	17.25
<b>TOTAL</b>	<b>17.25</b>	<b>17.25</b>

**11 OTHER CURRENT ASSETS**

PARTICULARS	(Amount in INR Lakhs)	
	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
( Unsecured and considered good)		
a) Capital Advances	15.43	32.49
b) Deposit with GST & Other Authorities	91.49	57.36
c) Other Receivables and advances	1.62	0.57
<b>TOTAL</b>	<b>108.54</b>	<b>90.42</b>

*Repal Singh*

**A. KAY MEHRA & CO.**  
Chartered Accountants

# **NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2024**

## **12 EQUITY SHARE CAPITAL**

PARTICULARS	( Amount in INR Lakhs)	
	As at 31ST MARCH,2024	As at 31ST MARCH,2023
<b>AUTHORISED SHARE CAPITAL</b>		
50,00,000 (As at 31st March, 2023: 50,00,000) Equity Shares of Rs 10 each	500.00	500.00
<b>ISSUED &amp; SUBSCRIBED SHARE CAPITAL</b>		
50,00,000 (As at 31st March, 2023: 50,00,000) Equity Shares of Rs 10 each	500.00	500.00
<b>PAID UP SHARE CAPITAL</b>		
50,00,000 (As at 31st March, 2023: 50,00,000) Equity Shares of Rs 10 each	500.00	500.00
<b>TOTAL</b>	<b>500.00</b>	<b>500.00</b>

## **12.1 DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARES**

NAME OF SHAREHOLDER	As at 31st March,2024		As at 31st March,2023	
	NUMBER OF SHARES HELD IN THE COMPANY	% Held	NUMBER OF SHARES HELD IN THE COMPANY	% Held
Roto Pumps Limited	5000000	100*	5000000	100*

\* Six equity shares are held by nominee shareholder each.

12.2 Details of shares held by the promoters in the Company.	31ST MARCH,2024			31ST MARCH,2023		
Equity shares:	Nos.	%	% Of Change during the year	Nos.	%	% Of Change during the year
<b>Name of the Promoters</b>						
Roto Pumps Limited	5,000,000	100	-	5,000,000	100	-

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2024****13 OTHER EQUITY**

( Amount in INR Lakhs)

PARTICULARS	As at		As at	
	31ST MARCH,2024		31ST MARCH,2023	
<b>RETAINED EARNINGS</b>				
Opening Balance	(81.98)		(13.34)	
Add: Profit for the year	(140.66)		(68.64)	
<b>Add :- Other Comprehensive Income</b>				
Remeasurement of Defined Benefit Plan ( Net of Taxes)	0.92		-	
	(221.72)		(81.98)	
Less: Appropriations				
Transferred to General Reserve	-		-	
Dividend	-		-	
Tax on Dividend	-	(221.72)	-	(81.98)
<b>TOTAL</b>		<b>(221.72)</b>		<b>(81.98)</b>

**i) DIVIDEND**

The Company has not declared any dividend during the year.



14(a) & (b) Lease liabilities

(Amount in INR Lakhs)

The Breakup of current and non current lease liabilities as at 31.03.2024 and 31.03.2023 is as follows:-

Particulars	As at March 31 2024	As at March 31 2023
Current lease liabilities	67.14	64.88
Non-current lease liabilities	0.00	67.14
<b>Total</b>	<b>67.14</b>	<b>132.02</b>

The movement in lease liabilities during the years ended 31.03.2024 and 31.03.2023 is as follows:

Particulars	As at March 31 2024	As at March 31 2023
Balance at the beginning	132.02	188.82
Additions		
Finance cost accrued during the period	7.87	12.49
Deletions		
Payment of lease liabilities	(72.75)	(69.29)
Adjustment through Retained Earnings	-	-
<b>Balance at the end</b>	<b>67.14</b>	<b>132.02</b>

15 CURRENT LIABILITIES - BORROWINGS

(Amount in INR Lakhs)

PARTICULARS	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
<u>Secured</u>		
Term Loan from DBS Bank*	455.06	-
<u>Un-Secured</u>		
Term Loan from Roto Pumps Ltd (Parent Company)	-	90.00
<b>TOTAL</b>	<b>455.06</b>	<b>90.00</b>

\*Securities on Term Loan from DBS Bank

- a) First and Exclusive charge on entire current assets of the Company both present and future.  
b) First and Exclusive charge on entire movable fixed assets of the Company both present and future (except for exclusively financed by other Banks/Fis)  
c) Corporate Guarantee provided by Roto Pumps Ltd (Parent Company).

16 TRADE PAYABLES

(Amount in INR Lakhs)

PARTICULARS	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
Trade Payables to Micro and Small Enterprises (As per the Intimation Received)	0.23	0.27
Trade Payables to Others	15.05	13.37
<b>TOTAL</b>	<b>15.28</b>	<b>13.64</b>

DUES TO MICRO AND SMALL ENTERPRISES (AS PER THE INTIMATION RECEIVED FROM SUPPLIERS)

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosure pursuant to said MSMED Act are as follows :

PARTICULARS	As at 31ST MARCH, 2024	As at 31ST MARCH, 2023
Principal amount due to suppliers and remaining unpaid as at year end	0.23	0.27
Interest due to suppliers and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers, beyond the appointed day during the year	-	-
Interest paid , other than under Section 16 of MSMED Act, to suppliers, beyond the appointed day during the year	-	-
Interest paid , under Section 16 of MSMED Act, to suppliers, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Age wise Outstanding details as on 31.03.2024					
Particulars	Less Than 1 year	1 to 2 years	2 to 3 Years	More than 3 Year	Total
i. Due to MSME	0.23	-	-	-	0.23
ii. Due to Related Parties - MSME	-	-	-	-	-
ii. Due to Related Parties	-	-	-	-	-
iii. Due to Others	15.05	-	-	-	15.05
iv. Disputed dues to MSME	-	-	-	-	-
v. Disputed dues to Others	-	-	-	-	-
<b>Total</b>	<b>15.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.28</b>



Particulars	Age wise Outstanding details as on 31.03.2023				
	Less Than 1 year	1 to 2 years	2 to 3 Years	More than 3 Year	Total
i.Due to MSME	0.27	-	-	-	0.27
ii.Due to Related Parties - MSME	-	-	-	-	-
ii.Due to Related Parties	-	-	-	-	-
iii.Due to Others	13.37	-	-	-	13.37
iv.Disputed dues to MSME	-	-	-	-	-
v.Disputed dues to Others	-	-	-	-	-
<b>Total</b>	<b>13.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.64</b>

17 OTHER LIABILITIES

PARTICULARS	As at	As at
	31ST MARCH,2024	31ST MARCH,2023
GST Payable	0.14	0.09
Other Statutory dues	4.43	2.64
Interest Payable	1.37	1.03
Salary Payable	8.21	5.16
Other Payables	7.14	13.16
<b>TOTAL</b>	<b>21.29</b>	<b>22.08</b>

18 PROVISIONS

PARTICULARS	As at	As at
	31ST MARCH,2024	31ST MARCH,2023
Provision for Employee Benefits		
- Gratuity	2.86	2.03
- Un-availed Leave	3.03	0.86
<b>TOTAL</b>	<b>5.89</b>	<b>2.89</b>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

**19 REVENUE FROM OPERATIONS**

PARTICULARS	( Amount in INR Lakhs)			
	Year Ended		Year Ended	
	31ST MARCH, 2024		31ST MARCH, 2023	
Sale of Products				
Pumps	3.00			
Spares	-	3.00		-
<b>GROSS REVENUE FROM OPERATIONS</b>		<b>3.00</b>		<b>-</b>

i) In accordance with the Indian Accounting Standard-18 Revenue Recognition and Schedule III of the Companies Act 2013, GST is not the part of Revenue therefore the sales amount is net of GST.

**20 OTHER INCOME**

PARTICULARS	( Amount in INR Lakhs)	
	Year Ended	Year Ended
	31ST MARCH, 2024	31ST MARCH, 2023
Interest Income		
- On Bank Deposits	-	0.10
- Others	-	0.00
Foreign Exchange Diff.	-	0.04
Misc. Balance (Written Off/Back)	0.19	-
<b>TOTAL</b>	<b>0.19</b>	<b>0.14</b>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2024**

**21 COST OF MATERIALS CONSUMED**

( Amount in INR Lakhs)

PARTICULARS	Year Ended		Year Ended	
	31ST MARCH,2024		31ST MARCH,2023	
<b>i) RAW MATERIALS CONSUMED</b>				
Opening Stock	-		-	
Add: Purchases& Expenses thereon	-		-	
Less: Closing Stock	-	-	-	-
<b>ii) BOUGHT OUT COMPONENTS CONSUMED</b>				
Opening Stock	-		-	
Add: Purchases& Expenses thereon	39.70		-	
Less: Closing Stock	12.02	27.68	-	-
<b>iii) CONSUMABLE STORES AND SPARES</b>				
Opening Stock	-		-	
Add: Purchases& Expenses thereon	0.13		-	
Less: Closing Stock	-	0.13	-	-
<b>TOTAL</b>		<b>27.81</b>		<b>-</b>

**22 CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROGRESS**

( Amount in INR Lakhs)

PARTICULARS	Year Ended		Year Ended	
	31ST MARCH,2024		31ST MARCH,2023	
<b>OPENING STOCK:</b>				
Finished Goods	-		-	
Work in Progress	-		-	
Scrap & Wastage	-	-	-	-
<b>LESS: CLOSING STOCK:</b>				
Finished Goods	26.83		-	
Work in Progress	-		-	
Scrap & Wastage	-	26.83	-	-
<b>Net Change in Inventories</b>		<b>(26.83)</b>		<b>-</b>



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH,2024****23 EMPLOYEE BENEFITS EXPENSE**

( Amount in INR Lakhs)

PARTICULARS	Year Ended	Year Ended
	31ST MARCH,2024	31ST MARCH,2023
Wages, Salary, Bonus Gratuity & Other Allowances	27.66	-
Contribution to Provident & Other Funds	1.30	-
Workmen & Staff Welfare	1.65	-
<b>TOTAL</b>	<b>30.61</b>	<b>-</b>

**24 FINANCE COST**

( Amount in INR Lakhs)

PARTICULARS	Year Ended	Year Ended
	31ST MARCH,2024	31ST MARCH,2023
Interest-Bank OD	16.02	-
Interest-Others	9.73	1.14
Interest on Lease Liabilities	7.87	12.49
<b>TOTAL</b>	<b>33.62</b>	<b>13.63</b>

**25 DEPRECIATION & AMORTISATION EXPENSE**

( Amount in INR Lakhs)

PARTICULARS	Year Ended	Year Ended
	31ST MARCH,2024	31ST MARCH,2023
Depreciation on Property,plant & Equipment	8.05	-
Depreciation on Right of Use	64.45	64.45
Depreciation on Intangible assets	4.78	-
<b>TOTAL</b>	<b>77.28</b>	<b>64.45</b>

**26 OTHER EXPENSES**

( Amount in INR Lakhs)

PARTICULARS	Year Ended	Year Ended
	31ST MARCH,2024	31ST MARCH,2023
Audit Fee	1.00	1.00
Festival Expenses	0.55	0.54
Filing Fee	0.08	0.04
Foreign Exchange Diff.	0.02	-
EDP Expense	0.01	-
Office Expenses	0.04	0.20
Bank Charges	2.11	0.04
Jobwork charges	1.08	-
Printing & Stationery Expenses	0.57	0.17
Tools	1.09	-
Packing & Forwarding Expenses	0.34	-
Repair and Maintenance	0.16	0.06
Traveling and Conveyance	5.34	1.52
Professional Charges	2.35	0.70
Gardening Exp.	0.01	-
Advertisement Expenses	0.20	-
Membership Fee & Subscription	0.09	-
Local Conveyance	12.02	-
Misc Expense	0.12	0.20
Electricity Expense	2.47	-
Insurance Expense	0.24	0.30
Rates and Taxes	0.17	0.06
Postage and Telephone Exp.	0.23	0.09
<b>TOTAL</b>	<b>30.29</b>	<b>4.92</b>



*Depata Sef*

(All amounts in INR Lakhs, unless otherwise stated)

## 27 Ratio Analysis and its elements

	March 31,2024	March 31,2023	
	Ratios	Ratios	Variation
<b>27.01 Current Ratios</b>			
(Current Assets / Current Liabilities)	0.30	0.60	-50% Variation arise due to new working capital facility from the Bank.
Current Assets	167.86	115.71	
Current Liabilities	564.66	193.49	
<b>27.02 Debt- Equity Ratio</b>			
[(Long term borrowing including current maturities + short term borrowing) / Share holder's equity]	1.64	0.22	660% Variation arise due to new working capital facility from the Bank and losses incurred during the year.
Long Term Borrowings	-	-	
Short Term Borrowings	455.06	90.00	
Share holder's equity	278.28	418.02	
<b>27.03 Debt Service Coverage ratio</b>			
	(4.76)	(15.15)	-69% Variation arise due to new working capital facility from the Bank and losses incurred during the year.
[(Earnings before interest, depreciation, tax and exceptional items) / (Interest expense on short term and long term borrowings + scheduled principal repayment of long term borrowing during the year)]			
Profit before Tax	(169.59)	(82.86)	
Depreciation	77.28	64.45	
Interest expense on short term and long term borrowings	16.02	1.14	
Scheduled principal repayment of long term borrowing during the year	-	-	
<b>27.04 Return on Equity ratio</b>			
(Net Profits after taxes / Average Shareholder's Equity)	(0.40)	(0.22)	81% Variation arise due to losses incurred during the year.
Profit after tax	(140.66)	(68.64)	
Equity	500.00	500.00	
Other Equity	(221.72)	(81.98)	
Opening Shareholder's Equity	418.02	196.66	
Average Shareholder's Equity	348.15	307.34	
<b>27.05 Inventory Turnover ratio</b>			
(Net Sales / Average inventories )	0.08	-	100% Variation arise due to starting of revenue generation activities during the year.
Net Sales of Goods	3.00	-	
Average Inventories	38.85	-	
<b>27.06 Trade Receivable Turnover Ratio</b>			
	1.52	-	100% Variation arise due to starting of revenue generation activities during the year.
(Revenue from contract with customers / Average trade receivables)			
Net Sales of Goods and Services	3.00	-	
Average trade receivables	1.97	-	
<b>27.07 Trade Payable Turnover Ratio</b>			
(Net Credit Purchase / Average trade payable )	2.61	-	100% Variation arise due to starting of revenue generation activities during the year.
Net Credit Purchases	39.83	-	
Average Trade Payable	15.28	-	
<b>27.08 Net Capital Turnover Ratio</b>			
	(0.01)	-	100% Variation arise due to starting of revenue generation activities during the year.
(Revenue from contract with customers / Average working capital)			
Net Sales of Goods and Services	3.00	-	
Opening Working Capital	(77.78)	-	
Closing Working Capital	(396.80)	(77.78)	
<b>27.09 Net Profit ratio</b>			
(Profit / (loss) for the period / Revenue from operations)	46.89	-	100% Variation arise due to starting of revenue generation activities during the year.
Net Profit after Tax	(140.66)	(68.64)	
Net Sales of Goods and Services	3.00	-	



**27.10 Return on Capital Employed**

(Earnings before interest and taxes / Average capital employed)	(0.23)	(0.16)	42% Variation arise due to losses incurred during the year.	
Profit Before Tax	(169.59)	(82.86)		
Interest on Loan	25.75	1.14		
Opening Capital Employed	508.02	508.02		
Closing Capital Employed	733.34	508.02		

**27.11 Return on Investment**

Net Income / Cost of Investment	N/A	N/A	N/A	N/A
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28 Notes on Financial Statements for the year ended 31 March 2024

Roto Energy Systems Limited

(Amount in ₹ Lacs)

28.01 During the Financials Year 2023.24 company has started its commercial production from 5th February 2024.

28.02 Earning per share

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Profit attributable to equity holders of the Company for basic and diluted earnings per share	(140.66)	(68.64)
Number of Equity Shares	5,000,000	5,000,000
Face Value per Share	10	10
Weighted average number of shares at the end of the year for basic and diluted earnings per share	5,000,000	4,122,466
Basic and Diluted Earning per Shares	(2.81)	(1.67)

28.03 Contingent Liabilities & Commitments

(a) Contingent Liabilities

There is no Contingent Liabilities as on 31st March 2024.

(b) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 26.27 lacs/- (Previous Year ₹ 73.95 lacs)

28.04 The Company has not provided any loan, Security, Guarantee and made Investment which are eligible to be disclosed under Section 186 read with sub-section (4) of the companies Act 2013, during the financial year 2023-24.

28.05 Fair value measurement hierarchy:

(Amount in ₹ Lacs)

Particulars	Carrying amount	As at 31st March, 2024		
		Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
At FVTPL	-	-	-	-
At FVTOCI	-	-	-	-
At Amortized cost				
Trade receivables	1.97	-	-	-
Cash and cash equivalents	1.25	-	-	-
Bank balances other than above		-	-	-
Other financial assets	17.25	-	-	-
<b>Financial liabilities</b>				
At FVTPL				
At Amortized cost		-	-	-
Borrowings	455.06	-	-	-
Trade payables	15.28	-	-	-
Lease Liabilities	67.14	-	-	-
Other Financial liabilities		-	-	-

Particulars	Carrying amount	As at 31st March, 2023		
		Level of input used in		
		Level 1	Level 2	Level 3
<b>Financial assets</b>				
At FVTPL	-	-	-	-
At FVTOCI	-	-	-	-
At Amortized cost				
Trade receivables	-	-	-	-
Cash and cash equivalents	8.04	-	-	-
Bank balances other than above	-	-	-	-
Other financial assets	17.25	-	-	-
<b>Financial liabilities</b>				
At FVTPL	-	-	-	-
At Amortized cost				
Borrowings	90.00	-	-	-
Trade payables	13.64	-	-	-
Lease Liabilities	64.88	-	-	-
Other Financial liabilities		-	-	-

FVTPL :- Fair Value through Profit & Loss A/c.

FVTOCI :- Fair Value through Other Comprehensive Income

The fair values of the financial assets and liabilities are defined as 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. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2023.

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. In the case of Derivative contracts, the Company has valued the same using the forward exchange rate as at the reporting date.

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Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**'Calculation of fair values:**

Financial assets and liabilities measured at fair value as at Balance Sheet date:

The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

Other financial assets and liabilities:-

-Cash and cash equivalents, trade receivables, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) have fair values that approximate to their carrying amounts due to their short-term nature.

-Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

**28.06 Financial Risk Management**  
**Risk Management framework and policies**

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

The Company has exposure to the following risks arising from financial instruments:

- A) Credit Risk
- B) Liquidity Risk
- C) Market Risk
- D) Interest Rate Risk

The table below explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact in the financial statements:-

Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade receivables, cash and cash equivalents and	Credit ratings Ageing Analysis	No of overdue days
Liquidity Risk	Other liabilities	Maturity Analysis	Maintaining sufficient cash/ cash equivalents and marketable securities.
Market Risk - Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in	Sensitivity Analysis	Forward foreign exchange contracts

**Credit Risk**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit Risk arises from credit exposures from customers, cash and cash equivalent with banks, security deposits and loans.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company uses an allowance matrix to measure the expected credit losses of trade receivables. The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages of delinquency to write off.

The following table provides information about the exposure to credit risk and ECLs for trade receivables:

Ageing of Trade Receivables		Amount in INR Lakhs	
Particulars	As at 31st March 2024	As at 31st March 2023	
Not due	1.97	-	
0-3 months	-	-	
3-6 months	-	-	
6-12 months	-	-	
beyond 12 months	-	-	
<b>TOTAL</b>	<b>1.97</b>	<b>-</b>	
Expected Credit Loss	-	-	

Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

The derivative contracts are entered into with scheduled banks which have good credit ratings.

**Liquidity Risk**

Liquidity Risk is the risk that a company could encounter if it faces difficulty in meeting the obligations associated with financial liabilities by delivering cash and other financial asset or the risk that the Company will face difficulty in raising financial resources required to fulfill its commitments. The Company's exposure to liquidity risk is very minimal as it has a prudent liquidity risk management process in place which ensures maintaining adequate cash and marketable securities to pay its liabilities when they are due. To ensure continuity of funding, the Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

**Exposure to Liquidity Risk**

Amount in INR Lakhs

Particulars	As at 31st March 2024			
	Carrying amount			
	Within one Year	One to five years	More than five years	Total
<b>Non-derivative financial liabilities</b>				
Borrowings	455.06	-	-	455.06
Trade Payables	15.28	-	-	15.28
Lease Liabilities	67.14	-	-	67.14
Other financial liabilities	-	-	-	-
<b>Derivative financial liabilities</b>				
Foreign exchange forward contract	-	-	-	-
<b>TOTAL</b>	<b>537.48</b>	<b>-</b>	<b>-</b>	<b>537.48</b>

Particulars	As at 31st March, 2023			
	Carrying amount			
	Within one Year	One to five years	More than five years	Total
<b>Non-derivative financial liabilities</b>				
Borrowings	90.00	-	-	90.00
Trade Payables	13.64	-	-	13.64
Lease Liabilities	64.88	-	-	64.88
Other financial liabilities	-	-	-	-
<b>Derivative financial liabilities</b>				
Foreign exchange forward contract	-	-	-	-
<b>TOTAL</b>	<b>168.52</b>	<b>-</b>	<b>-</b>	<b>168.52</b>

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*Chartered Accountants*

**Market Risk**

The Company operates internationally and a major portion of the business is transacted in several currencies. Consequently the company is exposed to foreign exchange risk through its sales and services in the US and elsewhere, and purchases from the overseas suppliers in various foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposure. The exchange rate between rupee and foreign currency has changed substantially in recent years and may fluctuate substantially in future. Consequently, the results of the Company's operation are adversely affected as the rupee appreciates/ depreciates against these currencies.

The Company exposure to foreign currency risk in respect of major currencies is given below:

Particulars	As at 31st March 2024	Amount in INR Lakhs	
		As at 31st March 2023	
Trade Receivables			
USD	1.97	-	
Net Exposure			
USD	1.97	-	

**Foreign Currency sensitivity**

The sensitivity of profit or loss to changes in the exchange rate arises mainly from foreign currency denominated financial instruments. The sensitivity to variations in respect of major currencies is given below. This analysis assumes that all other variables remain constant.

Particulars	As at 31st March 2024	As at 31st March 2023
USD - Increase by 5%	0.10	-
USD - Decrease by 5%	(0.10)	-

The Company, in accordance with its risk management policies and procedures, enters into foreign currency forward contracts to manage its exposure in foreign exchange rate variations. The counter party is generally a bank. These contracts are for a period between one day and one year. The above sensitivity does not include the impact of foreign currency forward contracts which largely mitigate the risk.

**Forward Foreign Exchange Contracts**

The Company has not entered into short term Forward Exchange Contracts.

**Interest Rate Risk**

Interest Rate risk can be the cash flow interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in market interest rates.

**28.07 Employees Benefit****a) Defined Contribution Plan**

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

Particulars	As at 31st March 2024	As at 31st March 2023
Employer's Contribution to Provident fund	5.96	4.03

**b) Defined Benefit Plan**

The present value of the defined benefit plan and related current service cost (Other than Foreign branches) were measured using the Projected unit credit method, with actuarial valuation being carried out at each Balance Sheet date.

<b>Investment Risk</b>	The Present Value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields. If the return on plan asset is below this rate, it will create a plan deficit.
<b>Interest Risk</b>	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
<b>Longevity Risk</b>	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants during the employment.
<b>Salary Escalation Risk</b>	The Gratuity and Leave Encashment benefits, being based on last drawn salary, will be substantially effected in case of increase in future salaries being more than assumed.

**Sensitivity Analysis :**

Significant actuarial assumption for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. The Sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below :

Particulars	As at 31st March 2024			
	Gratuity		Leave Encashment	
	Amount (₹ Lakhs)	%	Amount (₹ Lakhs)	%
Defined Benefit Obligation (Base)	2.86		3.03	
Liability with 1% increase in Discount Rate	2.56	-10.49%	2.71	-10.56%
Liability with 1% decrease in Discount Rate	3.21	12.24%	3.39	11.88%
Liability with 1% increase in Salary Growth	3.21	12.24%	3.40	12.21%
Liability with 1% decrease in Salary Growth	2.55	-10.84%	2.71	-10.56%
Liability with 1% increase in Withdrawal Rate	2.81	-1.75%	3.07	1.32%
Liability with 1% decrease in Withdrawal Rate	2.90	1.40%	2.98	-1.65%

**In respect of Employees in India**

Particulars	Gratuity (Unfunded)	Gratuity (Unfunded)	Leave Encashment (unfunded)	Leave Encashment (unfunded)
	As at 31st Mar 2024	As at 31st Mar 2023	As at 31st Mar 2024	As at 31st Mar 2023
	Amount (₹ Lakhs)	Amount (₹ Lakhs)	Amount (₹ Lakhs)	Amount (₹ Lakhs)
The principle assumptions used in actuarial valuation				
-Discount rate	7.25%	7.50%	7.25%	7.50%
-Expected rate of future salary increase	5.75%	5.75%	5.75%	5.75%
-Withdrawal Rate (per annum)	5.00%	5.00%	5.00%	5.00%
Change in Present value of Obligation				
-Present value of obligation as at the beginning of the year	2.03	0.76	0.86	0.30
-Interest Costs	0.15	0.06	0.06	0.02
-Current Service Cost	1.68	1.18	1.88	0.57
-Past Service Cost( vested benefit)	-	-	-	-



-Benefits Paid	-	-	-	-
-Actuarial (Gain) / Loss on obligations	(1.01)	0.04	0.22	(0.03)
-Unpaid Liability	-	-	-	-
-Present value of obligation as at end of the year	2.86	2.03	3.03	0.86
Liability Recognised in balance Sheet				
-Present value of obligation as at end of the year	(2.86)	(2.03)	(3.03)	(0.86)
-Fair value of plan assets as at the end of the year	-	-	-	-
-Unfunded status	-	-	-	-
-Unrecognised Actuarial (Gain)/Loss	-	-	-	-
Net Assets/ (Liability) recognised in Balance Sheet	(2.86)	(2.03)	(3.03)	(0.86)
Expenses recognised in Profit and Loss Account				
-Current Service Cost	1.68	1.18	1.88	0.57
-Interest Costs	0.15	0.06	0.06	0.02
-Expected Return on Plan assets	-	-	-	-
-Past Service Cost( vested benefit) Recognised	-	-	-	-
-Net Actuarial (Gain)/ Loss recognised during the year	-	-	0.22	(0.03)
Total Expenses recognised in Profit and Loss a/c	1.83	1.23	2.16	0.56

#### 28.08 List of Related Parties

Name of Related Parties	Relation
Mr. Harish Chandra Gupta	Director
Mr. Anurag Gupta	Director
Mr. Arvind Veer Gupta	Director
Mrs. Asha Gupta	Director
Roto Pumps Limited	Parent Company
Roto Pumps America Inc	Fellow Subsidiary
Roto Pumps North America Inc	Fellow Subsidiary (Stepdown)
Roto Pumpen GmbH.	Fellow Subsidiary
Roto Overseas Pte. Ltd	Fellow Subsidiary
Roto Pumps Africa (Pty) Ltd	Fellow Subsidiary (Stepdown)
Roto Pumps (Malaysia) SDN.BHD	Fellow Subsidiary (Stepdown)

#### 28.09 (i) Related Party Transactions :

Particulars	Relationship	Nature of Transactions	Year ended 31st March 2024	Year ended 31st March 2023
1. Issue of Shares Roto Pumps Limited	Holding company	Shares issued	-	290.00
2. Loan Taken Roto Pumps Limited	Holding company	Loan Taken	110.00	90.00
3. Loan Repaid Roto Pumps Limited	Holding company	Loan Repaid	200.00	-
4. Payment of Interest Roto Pumps Limited	Holding company	Payment of Interest on Loan	8.21	1.14
5. Payment of Consideration on Corporate Guarantee Roto Pumps Limited	Holding company	Payment of Consideration on Corporate Guarantee	1.52	-
6. Revenue from Operation Roto Pumps Limited- Australia Branch	Holding company	Sales	1.92	-

#### 28.09 (ii) Balances Outstanding's with related party

Particulars	Relationship	Nature of Transactions	Year ended 31st March 2024	Year ended 31st March 2023
1. Shares holds by Parent Company Roto Pumps Limited	Holding company	Shares issued	500.00	500.00
2. Loan Taken Roto Pumps Limited	Holding company	Loan Payable	-	90.00
3. Payment of Interest Roto Pumps Limited	Holding company	Interest Payable	-	1.14
4. Trade Receivables Roto Pumps Limited- Australia Branch	Holding company	Trade Receivables	-	-

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The company has taken loan from 100% holding company of INR 110 Lakhs during the financial year 2023-24, at an interest rate not exceeding the rate applicable to the holding company in cash credit account availed by it with DBS Bank India Ltd. (currently 8.95% P.A) for project funding requirements and loan is repaid during the year.

28.09 (iii)

28.09 (iv) Roto Pumps Ltd. has provided Corporate Gaurantee of INR 5.00 Crores for the Credit Facilities from DBS Bank India Ltd.

28.10 Previous Year's figures have been re-grouped/re-arranged wherever necessary to render them comparable with the current year's figures and better disclosure requirements.

28.11 The Company has not done any transactions with the Companies struck off under section 248 of the Companies Act 2013.

28.12 There is no Immovable Properties, Title deeds of those are not held in the name of the Company.

28.13 The Company neither have any Benami property, nor any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rule made thereunder.

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

28.15 The company is not declared wilful defaulter by any bank or financial institution or other lender.

28.16 The Company does not have any such 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.

28.17 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended 31 March 2024 and 31 March 2023.

28.18 No revaluation of Property, Plant & Equipment & Intangible assets has been carried out during the year.

28.19 The company is not having any subsidiaries Company, hence compliance with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017 is not applicable.

28.20 Figures have been rounded off to the INR Lakhs. Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company.

As per our Report of even date.

For A. KAY. MEHRA & Co  
Chartered Accountants  
(Registration No. 050004C)

Deepak Suneja  
Partner

Membership No.: 501957

Place: Delhi

Date:- 27.05.2024

UDIN- 24501957BKBFT8853



For and on behalf of the Board

(HARISH CHANDRA GUPTA)  
Director  
(DIN:00334405)

(ANURAG GUPTA)  
Director  
(DIN :00334160)