

**UNO Minda Auto Spare Parts and Components
Trading L.L.C
Dubai, U.A.E.**

**Auditor's Report & Financial Statements
For the period ended 31st March, 2024**

INDEPENDENT AUDITOR'S REPORT

(Ref No.- Magnus/ 2024 – NC/8174)

The shareholder,
UNO Minda Auto Spare Parts and Components Trading L.L.C,
Dubai, U.A.E.

Report on the audit of Financial Statements**Opinion**

We have audited the accompanying financial statements of **UNO Minda Auto Spare Parts and Components Trading L.L.C**, which comprise the Statement of Financial Position as at **31st March, 2024**, and the Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Changes in Equity for the period from 17th November, 2022 (Inception) to 31st March, 2024, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements give a true and fair view of the financial position of **UNO Minda Auto Spare Parts and Components Trading L.L.C**, as of **31st March, 2024**, and of its financial performance and its cash flows for the period then ended, in accordance with International Financial Reporting Standards.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the company's Memorandum and Articles of Association and the rules and regulations of UAE Federal Law (32) Of 2021 (as amended), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

(Continued from page 1)

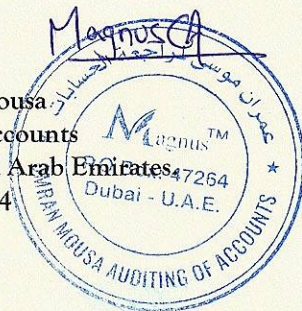
As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report on other legal and regulatory requirements

- We have obtained all the information and explanation we considered necessary for our audit.
- The financial statements comply, in all material respect with the applicable provisions of UAE Federal Law No. (32) Of 2021 (as amended) and the Articles of Association of the Company.
- Based on the information and explanation that has been made available to us nothing came to our attention which causes us to believe that the Company has contravened during the financial year ended **31st March, 2024** any of the applicable provisions of UAE Federal Law No. (32) Of 2021 (as amended) or the Articles of Association of the Company which would have a material effect on the Company's activities or on its financial position for the year.

For Omran Mousa
Auditing of Accounts
Dubai, United Arab Emirates
13th May, 2024



UNO Minda Auto Spare Parts and Components Trading L.L.C

Commercial License No. : 1116981

Standalone Balance Sheet as at March 31, 2024

(All amounts in AED, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I Non-current assets			
Property, plant and equipment	3	24,206.84	-
Capital work in progress	3	-	-
Investment Properties	4	-	-
Goodwill	5	-	-
Other Intangible assets	5	-	-
Right of use assets	6	-	-
Intangible assets under development	5	-	-
Financial assets			
(i) Investment in subsidiaries, associates and joint ventures	7(A)	-	-
(ii) Other investments	7(B)	-	-
(iii) Other bank balances	7(F)	-	-
(iv) Other financial assets	7(G)	5,630.00	-
Other non-current assets	9	-	-
Non-current tax assets (net)	10	-	-
Total Non-current assets		29,836.84	-
II Current assets			
Inventories	8	-	-
Financial assets			
(i) Investments	7(C)	-	-
(ii) Trade receivables	7(D)	-	-
(iii) Cash and cash equivalents	7(E)	396,928.54	-
(iv) Bank balances other than (iii) above	7(F)	-	-
(v) Other financial assets	7(G)	-	-
Other current assets	9	23,659.13	-
Total Current assets		420,587.67	-
III Assets classified as held for sale	11	-	-
TOTAL ASSETS		450,424.51	-
EQUITY AND LIABILITIES			
I Equity			
Equity share capital	12	200,000.00	-
Share application money pending allotment		-	-
Other equity	13	(563,657.53)	-
Total Equity		(363,657.53)	-
Liabilities			
II Non-current liabilities			
Financial liabilities			
(i) Borrowings	14 (A)	-	-
(ii) Lease liabilities	14 (B)	-	-
(iii) Other financial liabilities	14 (D)	-	-
Provisions	15	18,373.00	-
Deferred tax liabilities (net)	16	-	-
Other non current liabilities	18	-	-
Total non-current liabilities		18,373.00	-
III Current liabilities			
Contract liabilities	17	341,551.16	-
Financial liabilities			
(i) Borrowings	14 (A)	-	-
(ii) Lease liabilities	14 (B)	-	-
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	14 (C)	-	-
(b) total outstanding dues of creditors other than micro and small enterprises	14 (C)	392,578.56	-
(iv) Other financial liabilities	14 (D)	34,279.32	-
Provisions	15	27,300.00	-
Other current liabilities	18	-	-
Current tax liabilities (net)	19	-	-
Total- Current liabilities		795,709.04	-
Total Liabilities		814,082.04	-
Total Equity and Liabilities		450,424.51	-

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

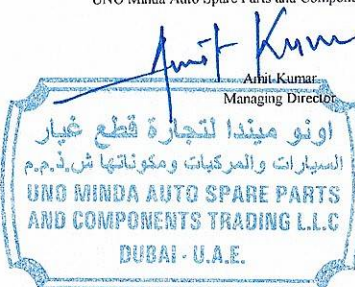
For Omran Mousa
Auditing of Accounts

Place : Dubai

Date : 13/05/2024



For and on behalf of the Board of Directors of
UNO Minda Auto Spare Parts and Components Trading L.L.C



UNO Minda Auto Spare Parts and Components Trading L.L.C
Commercial License No. : 1116981
Standalone Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in AED, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I Income			
Revenue from operations	20	1,564,219.78	-
Other income	21	-	-
Total income		1,564,219.78	-
II Expenses			
Cost of raw materials and components consumed	22	-	-
Purchases of traded goods	23	1,317,337.51	-
Changes in inventories of finished goods, traded goods and work-in-progress	24	-	-
Employee benefits expense	25	490,124.10	-
Finance cost	26	-	-
Depreciation and amortisation expense	27	4,422.16	-
Other expenses	28	315,993.54	-
Total expenses		2,127,877.31	-
III Profit before exceptional items and tax (I-II)		(563,657.53)	-
Exceptional items		-	-
IV Profit before taxes		(563,657.53)	-
V Income tax expense	16		
Current tax		-	-
Deferred tax (credit)/charge		-	-
Total tax expense		-	-
VI Profit for the year		(563,657.53)	-
VII Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent periods			
(i) Remeasurement loss on defined benefit plans		-	-
(ii) Fair value change of equity instrument valued through other comprehensive income		-	-
(iii) Income-tax relating to items that will not be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income/(loss) for the year, net of tax		-	-
VIII Total comprehensive income for the year, net of tax		(563,657.53)	-
IX Earnings per equity share [nominal value of share AED 1000 (Previous year NIL)]	32		
Basic earning per share (AED)		(2,818.29)	-
Diluted earning per share (AED)		(2,818.29)	-

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For and on behalf of the Board of Directors of
UNO Minda Auto Spare Parts and Components Trading L.L.C

For Omran Moussa
Auditing of Accounts
P.O.Box: 47264
Dubai - U.A.E.
Place: Dubai
Date: 13/05/2024

Amit Kumar
Managing Director

ماجنوس
magnus

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A Cash flows from operating activities :		
Profit before tax	(563,657.53)	
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	4,422.16	
Amortisation of government grants		
FCTR		
Interest income on bank deposits and others		
Liabilities / provisions no longer required written back		
Dividend income from non-current investments		
Share of profit from partnership firms		
Employee stock option expense		
Impairment of investment in subsidiary (net)		
Rental income		
Finance costs		
Unrealized foreign exchange loss / (gain) (net)		
Credit impaired trade receivable and other assets		
Other financial assets written off		
Change in financial assets measured at fair value through profit and loss		
Profit on sale of current investment		
Profit on sale of property, plant and equipment (net)		
Provision for contingencies		
Operating Profit before working capital changes	(559,235.37)	-
Movement in working capital		
(Increase)/ decrease in inventories	-	
(Increase)/ decrease in trade receivables	-	
(Increase)/ decrease in other current assets	(23,659.13)	
(Increase)/ decrease in other non current financial assets	(5,630.00)	
Increase/ (decrease) in trade payables	392,578.56	
Increase/ (decrease) in other current financial liabilities	34,279.32	
Increase/ (decrease) in other current liabilities		
Increase/ (decrease) in contract liabilities	341,551.16	
Increase/ (decrease) in provisions	45,673.00	
Cash generated from operations	225,557.54	-
Income tax paid (net of refund)		
Net Cash flows from operating activities (A)	225,557.54	-
B Cash flows from investing activities		
Payment for purchase of investment in subsidiaries, associates and joint ventures		
Payment for purchase of other investments measured at FVOCI		
Proceed for non current assets held for sale		
Proceed from sale/ (purchase) of other investment measured at FVTPL		
Add/(Less): Fair value change in equity instrument valued through other comprehensive income	(28,629.00)	
Purchase of property, plant and equipment, investment property and intangible assets		
Proceeds from sale of property, plant and equipment, investment property and intangible assets		
Rental income		
Interest received on bank deposits		
Withdrawal from partnership firm		
Dividend from subsidiaries, associates and joint venture		
Interest on fixed deposit and Investment in fixed deposit matured / (made)		
Net cash used in investing activities (B)	(28,629.00)	-
C. Cash flows from financing activities		
Proceeds from issue of equity share capital	200,000.00	
Share application money recd. Pending allotment		
Securities premium on issue of equity shares		
Proceeds from/ (repayment of) short term borrowings (net)		
Repayment of long term borrowings		
Proceeds from long term borrowings		
Interest paid on borrowings		
Payment of interest portion of lease liabilities		
Payment of principal portion of lease liabilities		
Payment of dividend		
Net cash used in financing activities (C)	200,000.00	-
Net Increase/ (decrease) in cash and cash equivalents(A+B+C)	396,928.54	-
Cash and cash equivalents as at beginning		
Effects of exchange rate changes on cash and cash equivalents	396,928.54	-
Cash and cash equivalents at the end of the year	396,928.54	-
Components of cash and cash equivalents		
Notes		
1 The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".		
2 Components of Cash and cash equivalents		
Balances with banks	396,928.54	
In current / cash credit accounts	-	
Deposits with a original maturity of less than three months	-	
Cash on hand	-	
Cash and cash equivalents at the end of the year	396,928.54	-

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For and on behalf of the Board of Directors of
UNO Minda Auto Spare Parts and Components Trading L.L.C

For Omran Mousa
Auditing of Accounts
Place : Dubai
Date : 13/05/2024



Amit Kumar
Managing Director

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UNO Minda Auto Spare Parts and Components Trading L.L.C

Commercial License No. : 1116981

Notes forming part of the standalone financial statements for the year ended March 31, 2024

1 CORPORATE INFORMATION

UNO MINDA AUTO SPARE PARTS AND COMPONENTS TRADING L.L.C was registered in Dubai on 17/11/2022 as a Limited Liability Company under the U.A.E. Federal Commercial Company Law with commercial license no. 1116981 issued by the Dubai Economy and Tourism, Government of Dubai. The registered address of the company is P.O. Box 1830852, Office no 405, Al Sanabil building, Baniyas Square, Naif Deira, Dubai, U. A. E.

The company is primarily engaged in the business of Auto Spare Parts & Components Trading.

2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

2.01 Basis of preparation of Standalone Financial Statements

The standalone financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III to the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to these standalone financial statements.

These standalone financial statements are presented in AED.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as going concern. These policies have been consistently applied to all the years presented, unless otherwise stated.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities

- (i) Certain financial assets and liabilities that is measured at fair value
- (ii) Assets held for sale-measured at fair value less cost to sell
- (iii) Defined benefit plans-plan assets measured at fair value
- (iv) Share based payments

2.02 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
 - Held primarily for purpose of trading
 - Expected to be realized within twelve months after the reporting period, or
 - cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non current.

The term of the liability that could, at the option of counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.03 Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method/written down method as applicable, using the useful lives as technically assessed by the management which is as below with respect to significant class of property, plant and equipments. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Name of assets	Useful life as assessed by the management	Life in years as per schedule II of Companies Act, 2013
Building		30
Factory building	30	30
Non-factory building	60	60
Computers including networking equipments	3-6	3-6
Plant and machinery		15
Plant and machinery	8-15	15
Dies and tools	1-6	15
Furniture and fittings	10	10
Office equipment	5	5
Vehicles	8	8

The useful lives have been determined based on technical evaluation done by the management in order to reflect the actual usage of assets.

Leasehold improvements are depreciated on straight line basis over shorter of the asset's useful life and their lease term. Leasehold land is amortized on a straight line basis over the unexpired period of their respective lease period.

2.04 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred. The company depreciates building on a straight line basis over a period of 30 years from the date of original purchase.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the international valuation standards committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. Transfer between investment property and owner occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purpose.

2.05 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets are amortized on a straight line basis over their estimated useful life as under:

Assets	Useful life
Trademark	10 years
Technical know how	6 years
Computer software	3-6 years
Customer relationship	5-10 years

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- Its intention to complete the asset;
- Its ability to use or sale the asset;
- How the asset will generate future economic benefits;
- The availability of adequate resources to complete the development and to use or sale the asset; and

- The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

Trademarks

Brand and Trademarks acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, brand and trademark are carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any.

Customer relationship

Customer relationship acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, customer relationship is carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any. They are amortised on a straight line basis over their estimated useful life of 5-10 years assessed by the management.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained

2.06 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The 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. 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the forecast period. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at March 31 or when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

2.07 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those measured at amortised cost

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section "Revenue from contracts with customers".

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- Business Model Test** : The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;
- Cash flow characteristics test**: The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) **Business Model Test** : The objective of financial instrument is achieved by both collecting contractual cash flows and selling the financial assets; and
- b) **Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Embedded Derivatives

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the 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:
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For recognition of impairment loss on financial assets other than mentioned below and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 -Leases

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

(a) **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(b) **Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.

(c) **Debt instruments measured at FVTOCI:** For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- (i) Financial liabilities at fair value through profit or loss
- (ii) Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivative are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. the Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually payable basis varying trade term. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Financial Guarantee Contracts:

Financial guarantee contracts issued by the company are those contracts that requires payment to be made to reimburse the holders for a loss it incurs because the specified debtors fail to make a payment when due in accordance with the term of debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction cost that are directly attributed to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of IND AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with principles of IND AS 115.

Derecognition

A financial liability is derecognised 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 derecognition 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.

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, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets/ financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss the reclassification date.

2.08 Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- (i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- (ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- (iii) Hedges of a net investment in a foreign operation

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses. Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

2.09 Compound financial instruments

Compound financial instruments issued by the Company comprise cumulative redeemable preference shares denominated in Rupees that are mandatorily redeemable at a fixed or determinable amount at a fixed or future date and the payment of dividends is discretionary. Compound financial instruments are separated into liability and equity components based on the terms of the contract. On issuance of the compound financial instruments, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

2.10 Investment in Subsidiaries, associates and joint venture

The investment in subsidiary, associates and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

2.11 Inventories

a) Basis of valuation:

- i) Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. The comparison of cost and net realizable value is made on an item-by-item basis.

b) Method of Valuation:

- i) Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.
- iii) Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

- v) Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

2.12 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold. The Company treats sale of the asset to be highly probable when:

- i) The appropriate level of management is committed to a plan to sell the asset
- ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)
- iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

2.13 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax expense for the year comprises of current tax and deferred tax.

a) Current income tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity.

b) Deferred Tax

Deferred tax is provided in full using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognised in profit or loss.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission, if any.

2.14 Revenue from contract with customers

The Company manufactures and trades variety of auto components products. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer. A receivable is recognized when the control of the product is transferred as the consideration is unconditional and payment becomes due upon passage of time as per the terms of contract with customers. The company collects GST on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

Revenue from sales of products

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Company considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of equipment, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer, if any.

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of product provide customers with a right of return the goods within a specified period. The Company also provides retrospective volume rebates to certain customers once the quantity of product purchased during the period exceeds the threshold specified in the contract. The rights of return and volume rebates give rise to variable consideration.

The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Company generally provides for warranties for general repair of defects that existed at the time of sale. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets).

Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company is not required to adjust the promised amount of consideration for the effects of a significant financing component because it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

Sale of service

The Company recognizes revenue from sales of services over period of time, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from services related activities is recognized as and when services are rendered and on the basis of contractual terms with the parties

Revenue from procurement services and raw material

The Company has contracts with customers to acquire, on their behalf, procurement service from suppliers identified by the customer. The Company is acting as an agent in these arrangements. When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

Contract assets

Contract assets is right to consideration in exchange for goods or services transferred to the customer and performance obligation satisfied. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Upon completion of the attached condition and acceptance by the customer, the amounts recognised as contract assets is reclassified to trade receivables upon invoicing. A receivables represents the Company's right to an amount of consideration that is unconditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

Contract liabilities

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

Trade receivables

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

2.15 Other Operating Revenues

Export incentives

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, rotdet scheme, Remission of duties and taxes on exported product scheme are recognized on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. When the grant relates to an expense item, it is recognised as income on a systematic basis over the period that the related costs for which it is intended to compensate are expensed. When the grant relates to an asset, it is recognised as income in equal amount over the expected useful life of the related asset.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements

2.16 Other Income

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Rental Income

Rental income is accounted for on a straight-line basis over the lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in other income in the statement of profit and loss.

Dividend income

Dividend income is recognised when the right to receive payment is established, which is generally when shareholders approve the dividend.

Share of profit from partnerships

Share of profit from partnership is recognised on accrual basis.

2.17 Retirement and other employee benefits

Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid at undiscounted value when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined benefit plan - Gratuity

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust with its investments maintained with Life insurance Corporation of India. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- b) Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Defined contribution plan - Provident fund and employee state insurance

Retirement benefit in the form of provident fund is a defined contribution scheme. the Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

Other long term employee benefit - Compensated absence

Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Other Long term incentive plan - Employee stock option plan

The Company provides long term incentive plan to employees via equity settled share based payments. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in employee stock option reserves in other equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

2.18 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The Companies' lease liabilities are included in other current and non-current financial liabilities.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(iii) Short-term leases and leases of low-value assets

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

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.20 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

2.21 Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down or reversal in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

2.22 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.23 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(iii) Exchange differences

Exchange differences arising on settlement of transactions or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively). Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

2.24 Provisions and Contingent Liabilities

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of 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. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. 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 the provision due to the passage of time is recognized as a finance cost.

Warranty Provisions

Provision for warranty-related costs are recognized when the product is sold or service is provided to customer. Initial recognition is based on historical experience, the Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to five years.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. the Company does not recognize a contingent liability.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.25 Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.26 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.27 Business combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company.

Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment. Any contingent consideration is ensured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Standalone Statement of Profit and Loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Company incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Company, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- (d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with corresponding balance appearing in the financial statements of the transferee or is adjusted against revenue reserve.
- (e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.
- (f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to revenue reserves/ capital reserves.

2.28 Significant accounting judgments, estimates and assumptions

The preparation of the standalone financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Company as a lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

b) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

c) Defined benefit plans and other long term incentive plan

The cost of defined benefit plans and leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 33.

d) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e) Impairment of financial assets

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

f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGUS fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are estimated based on past trend and discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

The Company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

g) Provision for warranty

Provisions for warranties is measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Warranty provisions is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

h) Provision for expected credit losses (ECL) of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Notes

i) Property, Plant and Equipment, investment properties and intangible assets

Property, Plant and Equipment, investment property, and intangible assets represent significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

j) Intangible asset under development

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits.

k) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

l) Revenue from contracts with customers

The Company applies the judgements in respect to transactions relating to tooling development, Principal versus agent consideration that significant financing component in a contract that significantly affect the determination of the amount and timing of revenue from contracts with customers. For more details, refer accounting policy on revenue from contract with customers.

2.29 New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 01, 2022:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable cost of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it. The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Company applies the amendments to contracts for which it has not yet fulfilled all of its obligations, at the beginning of the reporting period. These amendments had no impact on the standalone financial statements of the Company as there is no onerous contract within the scope of these amendments that arose during the year.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). These amendments had no impact on the standalone financial statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the year.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no impact on the standalone financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the standalone financial statements of the Company as there were no modifications of the Company's financial instruments during the year.

(v) Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41. The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments had no impact on the standalone financial statements of the Company as it did not have assets in scope of Ind AS 41 as at the reporting date.

(vi) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101. The amendments are effective for annual reporting periods beginning on or after April 01, 2022 but do not apply to the Company as it is not a first-time adopter.

2.30 Standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective April 01, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023.

The Company is currently assessing the impact of the amendment.

(a) Equity share capital

Particulars	No.	Amount
Balance as at April 01, 2022	-	-
Issue of equity shares under bonus issue	-	-
Issue of equity shares on exercise of Employee Stock option scheme	-	-
Balance as at March 31, 2023	-	-
Issue of equity shares during the year	200	200,000.00
Issue of equity shares on exercise of Employee Stock option scheme	-	-
Balance as at March 31, 2024	200	200,000.00

(b) Other equity

Particulars	Equity component of other financial instruments	Reserve and surplus						Item of other comprehensive income	Total other equity
		Securities premium	Capital redemption reserve	Capital reserves	Capital reserves arising on amalgamation	General reserves	Employee stock options reserve	Retained earnings	
As at April 01, 2022	-	-	-	-	-	-	-	-	-
Acquired under merger	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Fair value change of equity instrument valued through other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-
Re-measurement loss on defined benefit plans, net of tax	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-	-
Capitalisation of securities premium on issue of fully paid bonus shares	-	-	-	-	-	-	-	-	-
Employees stock option scheme expense	-	-	-	-	-	-	-	-	-
Exercise of employee stock option	-	-	-	-	-	-	-	-	-
Transfer of employee stock option	-	-	-	-	-	-	-	-	-
Interim dividend during the year	-	-	-	-	-	-	-	-	-
Final dividend for the financial year ended March 31, 2023	-	-	-	-	-	-	-	-	-
As at March 31, 2023	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Fair value change of equity instrument valued through other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-
Re-measurement loss on defined benefit plans, net of tax	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-
Transactions with owners in their capacity as owners:	-	-	-	-	-	-	-	-	-
Capitalisation of securities premium on issue of fully paid bonus shares	-	-	-	-	-	-	-	-	-
PCIR	-	-	-	-	-	-	-	-	-
Employees stock option scheme expense	-	-	-	-	-	-	-	-	-
Exercise of employee stock option	-	-	-	-	-	-	-	-	-
Interim dividend during the year	-	-	-	-	-	-	-	-	-
Final dividend for the financial year ended March 31, 2023	-	-	-	-	-	-	-	-	-
As at March 31, 2024	-	-	-	-	-	-	-	-	-

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For and on behalf of the Board of Directors of
UNO Minda Auto Spare Parts and Components Trading LLC

UNO Minda Auto Spare Parts and Components Trading L.L.C
Notes forming part of the standalone financial statements for the year ended March 31, 2024
(All amounts in AED, unless otherwise stated)

3	Property, plant and equipment	Freehold land	Buildings	Plant and Machinery	Furniture and fittings	Vehicles	Office equipment	Computers	Total	Capital work in progress	Grand total
	Particulars										
	Gross carrying amount										
	As at April 01, 2022								-		-
	Acquired under merger								-		-
	Additions during the year								-		-
	Disposals/adjustments								-		-
	As at March 31, 2023								-		-
	Additions during the year				19,500.00		1,259.00	7,870.00	28,629.00		28,629.00
	Disposals/adjustments								-		-
	As at March 31, 2024				19,500.00		1,259.00	7,870.00	28,629.00		28,629.00
	Accumulated depreciation										
	As at April 01, 2022								-		-
	Acquired under merger								-		-
	Depreciation charge for the year								-		-
	Disposals/adjustments								-		-
	As at March 31, 2023								-		-
	Depreciation charge for the year				1,800.76		190.68	2,430.72	4,422.16		4,422.16
	Disposals/adjustments								-		-
	As at March 31, 2024				1,800.76		190.68	2,430.72	4,422.16		4,422.16
	Net Carrying amounts										
	As at March 31, 2023								-		-
	As at March 31, 2024				17,699.24		1,068.32	5,439.28	24,206.84		24,206.84

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For and on behalf of the Board of Directors of
UNO Minda Auto Spare Parts and Components Trading L.L.C

Amit Kumar
Amit Kumar
Managing Director

For Omran Mousa
Auditing of Accounts
Place : Dubai
Date : 13/05/2024

OMRAN MOUSA AUDITING OF ACCOUNTS
Dubai - U.A.E.
P.O. Box: 472684
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(All amounts in AED, unless otherwise stated)					
		Non-current		Current	
		As at	As at	As at	As at
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
7(D)	Trade receivables (valued at amortised cost)				
	(Unsecured)				
	Trade receivables from contract with customers - considered goods	-	-	-	-
	Trade receivables from contract with customers - considered good – related parties	-	-	-	-
	Trade receivables from contract with customers - credit impaired	-	-	-	-
		-	-	-	-
	Less: Impairment allowance for trade receivable - credit impaired	-	-	-	-
	Total	-	-	-	-

Notes:

(a) Trade receivables Ageing Schedule
As at March 31, 2024

As at March 31, 2024		Not due	Outstanding for following periods from the due date of payment					Total
Particulars			Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good		-	-	-	-	-	-	
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivable – credit impaired	-	-	-	-	-	-	-	
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk		-	-	-	-	-	-	-
Disputed trade receivables – credit impaired		-	-	-	-	-	-	
Total		-	-	-	-	-	-	
Less: Impairment allowance for trade receivable - credit impaired								
Net Trade receivables		-	-	-	-	-	-	

As at March 31, 2023

As at march 31, 2023							
Particulars	Not due	Outstanding for following periods from the due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	-	-	-	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Less: Impairment allowance for trade receivable - credit impaired							
Net Trade receivables		-	-	-	-	-	-

		Non-current		Current	
		As at	As at	As at	As at
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(E)	Cash and cash equivalents (valued at amortised cost)				
	Balances with banks				
	In current / cash credit accounts	-	-	396,928.54	-
	Deposits with a original maturity of less than three months (refer note (b))	-	-	-	-
	Cash on hand	-	-	-	-
		-	-	396,928.54	-

	Non-current		Current	
	As at	As at	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023

(G) Other financial assets (Unsecured, considered good unless otherwise stated)
Financial assets measured at fair value through profit and loss

Financial assets measured at fair value through profit and loss	-	-	-	-
Derivatives financial instruments	-	-	-	-
Financial assets measured at amortised cost	-	-	-	-
Security deposits - considered good	5,630.00	-	-	-
Security deposits - considered credit impaired	-	-	-	-
Loan to employees	-	-	-	-
Interest accrued on loan	-	-	-	-
Other accrued income	-	-	-	-
Incentive receivable {refer note 36 (b)}	-	-	-	-
Others {refer note (j)}	-	-	-	-
	5,630.00	-	-	-
Less: Impairment allowance for security deposit - credit impaired	-	-	-	-
	5,630.00	-	-	-

[illegible]

9 Other assets

(Unsecured considered good, unless otherwise stated)

Capital advances

Adv/ce other than capital advance

Advance for material and supplies - considered good

Advance for material and supplies - credit impaired

Others

Others

Prepaid expenses

Balances with government authorities considered good

Balances with government authorities credit impaired

Government grant receivable {refer note 36 (c)}

Others

Less: Impairment allowance for advance for material and supplies credit impaired

		As at March 31, 2024		As at March 31, 2023			
		Number	Amount	Number	Amount		
12	Share capital						
(i)	Authorised Share capital						
	Equity share capital						
	Equity shares of AED1000/- each with voting rights	460	460,000.00	-	-		
		460.00	460,000.00	-	-		
(ii)	Issued, subscribed and fully paid up						
	Equity share capital						
	Equity shares of AED1000/- each with voting rights	200	200,000.00	-	-		
		200	200,000.00	-	-		
(iii)	Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:						
	Equity shares of AED1000/- each with voting rights						
	Balance at the beginning of the year	-	-	-	-		
	Add: Issue of equity shares during the year	200	200,000.00	-	-		
	Add: Issue of equity shares upon exercise of employee stock option scheme	-	-	-	-		
	Add: Issue of equity shares on settlement of consideration payable	-	-	-	-		
	Add: Issue of equity shares under preferential allotment to qualified institutional buyers	-	-	-	-		
	Balance at the end of the year	200	200,000.00	-	-		
13	Other equity						
				As at March 31, 2024	As at March 31, 2023		
(i)	Equity component of other financial instruments			-	-		
	Capital reserve			-	-		
	Capital reserves arising on amalgamation			-	-		
	General Reserve			-	-		
	Employee stock options reserve			-	-		
	Retained earnings			(563,657.53)	-		
	Total other equity			(563,657.53)	-		
(ii)	Retained earnings						
	Opening balance			-	-		
	Acquired under merger			-	-		
	Add: Profit for the year			(563,657.53)	-		
	Less: Re-measurement loss on defined benefit plans, net of tax			-	-		
	Less: Final dividend paid during the year			-	-		
	Closing balance			(563,657.53)	-		
14	Financial liabilities						
				Non-current	Current		
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023		
(C)	Trade payables (valued at amortised cost)						
	Total outstanding dues of micro enterprises and small enterprises	-	-	-	-		
	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	392,578.56	-		
				392,578.56	-		
	Notes:						
(i)	Trade payables Ageing Schedule						
	As at March 31, 2024						
	Particulars	Not due	Outstanding for following periods from the due date				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed dues of micro enterprises and	-	-	-	-	-	-
	Undisputed dues of creditors other than micro	10,500.00	308,170.26	73,908.30	-	-	392,578.56
	enterprises and small enterprises						
	Disputed dues of micro enterprises and small	-	-	-	-	-	-
	Disputed dues of creditors other than micro	-	-	-	-	-	-
	enterprises and small enterprises						
	Total	10,500.00	308,170.26	73,908.30	-	-	392,578.56
	As at March 31, 2023						
	Particulars	Not due	Outstanding for following periods from the due date				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
	Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
	Undisputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
	Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	Total	-	-	-	-	-	-
	(D) Other financial liabilities						
	Financial liabilities measured at fair value through profit and loss						
	Forward Contract Payable and others	-	-	-	-	-	-
	Trade/ security deposit received	-	-	-	34,279.32	-	-
	Payable to employees	-	-	-	-	-	-
	Deferred payment liabilities	-	-	-	-	-	-
	Payable for non fulfilment of export obligations	-	-	-	-	-	-
	Refundable advance against sale of land (refer note (ii))	-	-	-	34,279.32	-	-
					34,279.32		
	15 Provisions						
				Non-current	Current		
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023		
	Provision for employee benefits						
	Provision for Gratuity (refer note 33)	18,373.00	-	-	-	-	-
	Provision for Pension (refer note 33)	-	-	-	27,300.00	-	-
	Provision for Compensated absences	-	-	-	-	-	-
	Provision for other defined benefit plans	-	-	-	-	-	-
	Others						
	Provision for warranty (refer note (i) below)	18,373.00	-	-	27,300.00	-	-
		18,373.00			27,300.00		
	(i) The Company has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimate and based on past experience of the level of repairs and defective returns. Assumptions used to calculate the provisions for warranties are based on current sales levels and current information available about defective returns based on past trend for products sold and are consistent with those in the prior years. The assumptions made in relation to the current year are consistent with those in the prior year. The table below gives information about movement in warranty provisions.						
				As at March 31, 2024	As at March 31, 2023		
	Balance as at beginning of the year			-	-		
	Add: Provision made during the year			-	-		
17	Contract balances						
				Non-current	Current		
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023		
(A)	Trade Receivables	-	-	-	341,551.16	-	-
(B)	Contract Liability	-	-	-	-	-	-

UNO Minda Auto Spare Parts and Components Trading L.L.C

Notes forming part of the standalone financial statements for the year ended March 31, 2024

(All amounts in AED, unless otherwise stated)

		For the year ended March 31, 2024	For the year ended March 31, 2023
20 Revenue from operations			
Revenue from contract with customers		1,564,219.78	-
Sale of products			
Sale of services	(A)	1,564,219.78	-
Other operating revenues			
Claims from customers			
Others	(B)	-	-
Total revenue from operations	(A) + (B)	1,564,219.78	-
Notes:			
(i) Timing of revenue recognition			
Goods transferred at a point in time		1,564,219.78	-
Services transferred over the time			
Total revenue from contract with customers		1,564,219.78	-
Add: Other operating revenues			
Total revenue from operations		1,564,219.78	-
(ii) Revenue by location of customers			
Within India		-	-
Outside India		1,564,219.78	-
Total revenue from operations		1,564,219.78	-
(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price			
Revenue as per contracted price			
Discounts			
Other sales incentive schemes			
Revenue from contract with customers		-	-
Add: Other operating revenues			
Total revenue from operations		-	-
		For the year ended March 31, 2024	For the year ended March 31, 2023
21 Other Income			
Interest income on financial assets carried at amortised cost		-	-
Deposit with banks		-	-
Others		-	-
Export Incentive		-	-
Interest on income tax refund		-	-
Dividend income from non-current investments measured at cost		-	-
Share in profit from partnership firms		-	-
Gain on settlement of financial liability measured at amortised cost		-	-
Fair value gain on financial assets/liabilities measured at fair value through profit and loss		-	-
Rental income		-	-
Other non-operating income		-	-
Gain on sale of property, plant and equipment (net)		-	-
Liabilities no longer required written back		-	-
Reversal of Impairment allowance for trade receivable - credit impaired		-	-
Profit from sale of current investment		-	-
Corporate guarantee income		-	-
Settlement income (refer note below)		-	-
Net gain on foreign currency fluctuations		-	-
Miscellaneous income		-	-
Note: Settlement income relates to liability no longer payable upon settlement of purchase consideration of KPIT technologies Limited.			
		For the year ended March 31, 2024	For the year ended March 31, 2023
22 Cost of raw materials and components consumed			
Raw materials and components at the beginning of the year		-	-
Add: Purchases during the year		-	-
Less: Raw materials and components at the end of the year		-	-
		For the year ended March 31, 2024	For the year ended March 31, 2023
23 Purchases of traded goods		1,317,337.51	-
		1,317,337.51	-
		For the year ended March 31, 2024	For the year ended March 31, 2023
24 Changes in inventories of finished goods, traded goods and work in progress			
Inventories at the end of the year:			
Work-in-progress		-	-
Finished goods		-	-
Traded goods		-	-

Inventories at the beginning of the year:	-	-
Work-in-progress	-	-
Finished goods	-	-
Traded goods	-	-
Net (increase) / decrease in inventories	-	-
	For the year ended March 31, 2024	For the year ended March 31, 2023
25 Employee benefits expense		
Salaries, wages and bonus	490,124.10	-
Contribution to provident and other funds	-	-
Employees stock option scheme (refer note 32)	-	-
Net defined benefit plan expense (Gratuity and Pension benefit) (Refer note 33)	-	-
Staff welfare expense	-	-
	490,124.10	-
	For the year ended March 31, 2024	For the year ended March 31, 2023
26 Finance costs		
Interest on borrowings	-	-
Interest expense towards micro and small enterprises	-	-
Interest on debt portion of compound financial instrument	-	-
Exchange differences regarded as an adjustment to borrowing costs	-	-
Interest expense on lease liabilities	-	-
Interest on income tax expenses	-	-
Other borrowing costs	-	-
	-	-
	For the year ended March 31, 2024	For the year ended March 31, 2023
27 Depreciation and amortisation expense		
Depreciation on property, plant and equipment (refer note 3)	4,422.16	-
Amortisation on intangible assets (refer note 5)	-	-
Depreciation on right-of-use assets (refer note 6)	-	-
Depreciation on investment properties (refer note 4)	-	-
	4,422.16	-
	For the year ended March 31, 2024	For the year ended March 31, 2023
28 Other expenses		
Power and fuel	11,016.41	-
Consumption of stores and spare parts	-	-
Job work charges	-	-
Rent expense (refer note 6)	65,353.15	-
Repairs and maintenance:	-	-
Buildings	-	-
Plant and machinery	-	-
Others	-	-
Rates and taxes	-	-
Travelling and conveyance expense	28,583.25	-
Legal and professional charges (refer note (i) below)	82,223.42	-
Insurance expense	231.00	-
Director's sitting fee	-	-
Advertisement and sales promotion expense	550.00	-
Printing and stationery expense	1,705.46	-
Impairment allowance for trade receivable - credit impaired	-	-
Other financial assets written off	-	-
Bad trade written off	-	-
Contribution towards corporate social responsibility expense (CSR) (refer note 30)	-	-
Fair value loss on financial assets/(liabilities) measured at fair value through profit and loss	-	-
Provision for contingencies	-	-
Warranty expense (refer note 15)	-	-
Royalty expenses	-	-
Freight and other distribution expense	32,877.13	-
Exchange fluctuations (net)	9,045.54	-
Research and development	-	-
Annual maintenance charges	-	-
MTM profit/loss on FC and MF	-	-
Miscellaneous expenses	84,408.18	-
	315,993.54	-

Note:

(i) Details of payments to auditors included in legal and professional expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor:		
Audit fee	10,500.00	-
Limited review fee	-	-
In other capacities:		
Certification fee and others	-	-
Reimbursement of expenses	-	-
Total (included in legal and professional charges)	10,500.00	-

UNO Minda Auto Spare Parts and Components Trading L.L.C

Notes forming part of the standalone financial statements for the year ended March 31, 2024

(All amounts in Indian AED, unless otherwise stated)

31 Segment information

The company deals in only one business segment of trading of auto ancillary equipments and the chief operating decision maker (CODM) reviews the operations of the company as a whole, hence there is no reportable segments as per Ind AS 108 "Operating Segments". The management considers that the various goods and services provided by the Company constitutes single business segment, since the risk and rewards from these services are not different from one another.

Particulars	Within India	Outside India	Total
Revenue from operation by location of customers			
Year Ended March 31, 2024	-	1,564,219.78	1,564,219.78
Year Ended March 31, 2023	-	-	-
Total assets by geographical location			
Year Ended March 31, 2024	0.05	450,424.46	450,424.51
Year Ended March 31, 2023	-	-	-
Non-current operating assets by geographical location			
Year Ended March 31, 2024	0.05	24,206.79	24,206.84
Year Ended March 31, 2023	-	-	-
Capital expenditure - Property plant and equipments, Investment properties and Capital work in progress by geographical location			
Year Ended March 31, 2024	-	28,629.00	28,629.00
Year Ended March 31, 2023	-	-	-
Capital expenditure - Intangible assets and intangible assets under development by geographical location			
Year Ended March 31, 2024	-	-	-
Year Ended March 31, 2023	-	-	-

32 Earnings per share (EPS)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic Earnings per share		
Profit after taxation attributable to equity holders of the Company:	-563,657.53	-
Weighted average number of equity shares outstanding during the year	200	-
Basis earnings per share (one equity share of AED 1000/- each)	-2,818.29	-
Diluted Earnings per share		
Profit after taxation attributable to equity holders of the Company:	-563,657.53	-
Weighted average number of equity shares for basic earning per share	200	-
Effect of dilution	-	-
Weighted average number of equity shares outstanding during the year adjusted for the effect of dilution	200	-
Diluted earnings per share (one equity share of AED 1000/- each)	-2,818.29	-

UNO Minda Auto Spare Parts and Components Trading L.L.C
Notes forming part of the standalone financial statements for the year ended March 31, 2024
(All amounts in AED, unless otherwise stated)

- 35 **Related Party Disclosures**
The related parties as per the terms of Ind AS-24, "Related Party Disclosures", notified under section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time)), as disclosed below:

(A) **Names of related parties and description of relationship:**

(i) **Related parties where control exists:**

Entity Name	Relationship
Uno Minda Limited	Ultimate Holding
Samaira Engineering	Fellow Subsidiary

(ii) **Key management personnel**

Name	Relationship
Amit Kumar	Managing Director (MD)

(B) Transactions with related parties

[illegible]

(C) Balances with related parties at the year end

[illegible]

38 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments apart from investment in subsidiary, associates and joint ventures which are carried at cost in accordance with Ind AS 27.

Category	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial instruments by category				
Financial assets measured at fair value through profit or loss				
Derivatives financial instruments	-	-	-	-
Investments in mutual funds	-	-	-	-
Investments in unquoted shares	-	-	-	-
Other financial assets	-	-	-	-
Financial assets measured at fair value through other comprehensive income				
Investment in quoted equity shares	-	-	-	-
Financial assets measured at amortized cost and for which fair values are disclosed				
Trade receivables (current and non current)	-	-	-	-
Cash and cash equivalents	396,928.54	396,928.54	-	-
Other bank balances (current and non current)	-	-	-	-
Other financial assets (current and non current)	5,630.00	5,630.00	-	-
Total	402,558.54	402,558.54	-	-
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	-	-	-	-
Lease liabilities (current and non current)	-	-	-	-
Trade payables (current and non current)	392,578.56	392,578.56	-	-
Other financial liabilities (current and non current)	34,279.32	34,279.32	-	-
Total	426,857.88	426,857.88	-	-

(viii) Fair value hierarchy

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period for identical assets or liabilities. The mutual funds are valued using the net assets value (NAV) available in open market. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers among levels 1, 2 and 3 during the year.

This section explains the judgement and estimates made in determining the fair value of financial assets that are:

a) Recognized and measured at Fair value

b) Measured at amortized cost and for which fair value is disclosed in financial statements

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2024

Particulars	Carrying value	Fair Value		
	As at March 31, 2024	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
Derivatives financial instruments	-	-	-	-
Investments in mutual funds	-	-	-	-
Financial assets measured at fair value other comprehensive income				
Investment in quoted equity shares	-	-	-	-
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	5,630.00	-	-	5,630.00
Investment properties measured at cost and for which fair values are disclosed				
Freehold Land	-	-	-	-
Building	-	-	-	-
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	-	-	-	-
Lease liabilities (current and non current)	-	-	-	-
Other financial liabilities (current and non current)	34,279.32	-	-	34,279.32

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

Particulars	Carrying value	Fair Value		
	As at March 31, 2023	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
Derivatives financial instruments	-	-	-	-
Investments in mutual funds	-	-	-	-
Investments in unquoted shares	-	-	-	-
Financial assets measured at fair value other comprehensive income				
Investment in quoted equity shares	-	-	-	-
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	-	-	-	-
Investment properties measured at cost and for which fair values are disclosed				
Freehold Land	-	-	-	-
Building	-	-	-	-
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	-	-	-	-
Lease liabilities (current and non current)	-	-	-	-
Other financial liabilities (current and non current)	-	-	-	-

40 Financial risk management objectives and policies

The Company being the active supplier for the automobile industry is exposed to various market risk, credit risk and liquidity risk. The Company has global presence and has decentralised management structure. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks.

The company has set up a risk management committee (RMC) which comprise of group chief finance officer and three directors of which two are independent directors. RMC periodically reviews operating, financial and strategic risk in the business and their mitigating factors. RMC has formulated a risk management policy for the company which outlines the risk management framework to help minimise the impact of uncertainty. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risk associated with the business. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective. The Company's financial risk management is an integral part of how to plan and execute its business strategies. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans deposits, and investments, and foreign currency receivables, payables and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024 and March 31, 2023.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company also have operations in international market due to which the Company is also exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to the movement in foreign currency exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). The Company manages its foreign currency risk partly by taking forward exchange contract for transactions of sales and purchases and partly balanced by purchasing of goods/services from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

The Company's exposure to foreign currency risk at the end of the reporting periods are as follows

Particulars of un-hedged foreign currency exposure

Currency	As at March 31, 2024			As at March 31, 2023		
	Foreign currency in s	Exchange rate (in AED)	Amount (AED in s)	Foreign currency Amount in s	Exchange rate (in AED)	Amount (AED in s)
Trade receivables						
USD		-	-		-	-
EUR		-	-		-	-
JPY		-	-		-	-
GBP		-	-		-	-
Trade payable, Capital creditors and other financial liabilities						
USD		-	-		-	-
JPY		-	-		-	-
EUR		-	-		-	-
TWD		-	-		-	-
Bank balances						
TWD			-		-	-
USD	64,158.14	3.6738	235,704.17		-	-
JPY			-		-	-
EUR			-		-	-
Borrowings						
USD		-	-		-	-
Investments						
Euro	-	-	-		-	-

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in currency exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities as given below:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gain/ (loss) Impact on profit before tax and equity		Gain/ (loss) Impact on profit before tax and equity	
	Change +1%	Change -1%	Change +1%	Change -1%
Trade receivables				
USD	-	-	-	-
EUR	-	-	-	-
GBP	-	-	-	-
Trade payable, Capital creditors and other financial liabilities				
USD	-	-	-	-
EUR	-	-	-	-
GBP	-	-	-	-
Bank balances				
TWD	-	-	-	-
USD	2,357.04	(2,357.04)	-	-
EUR	-	-	-	-
Borrowings				
USD	-	-	-	-

(ii) Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and floating interest rate loans and borrowings. To manage this, the Company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and floating interest rate interest amounts calculated by reference to an agreed-upon notional principal amount. At March 31, 2024, after taking into account the effect of interest rate swaps, the Company has following fixed rate and floating interest rate borrowing:

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings	-	-
Fixed rate borrowings	-	-
Total	-	-

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Impact on profit before tax and equity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Increase by 0.5%	-	-
Decrease by 0.5%	-	-

(iii) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Company. The Company sells its products mainly to auto makers (Original Equipment Manufacturer) whereby there is a regular negotiation / adjustment of prices on the basis of changes in commodity prices.

(b) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing through the use of short term bank deposits, short term loans, and cash credit facility etc. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2024	Less than 1 Years	1-5 Years	More than 5 Years	Total
Borrowings	-	-	-	-
Lease liabilities (undiscounted)	-	-	-	-
Trade payable	318,670.26	73,908.30	-	392,578.56
Other financial liabilities	34,279.32	-	-	34,279.32
As at March 31, 2023				
Borrowings	-	-	-	-
Lease liabilities (undiscounted)	-	-	-	-
Trade payable	-	-	-	-
Other financial liabilities	-	-	-	-

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company only deals with parties which has good credit rating/worthiness given by external rating agencies or based on company's past assessment.

(i) Trade Receivables

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major automobile manufacturers with good credit ratings. All customer are subjected to credit assessments as a precautionary measure, and the adherence of all customers to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions. No impairment loss is considered necessary in respect of these fixed deposits that are with recognised commercial banks and are not past due over past years. Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The provision rates are based on days past due for grouping at customers with similar loss patterns. The calculation reflects the probability weightage outcome, the time value of money and reasonable and supporting information that is available at the reporting date about the past events, current condition and future forecast. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 is the carrying amounts. The Company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

	As at March 31, 2024	As at March 31, 2023
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)		
Other financial assets (current and non-current)	5,630.00	-
Cash and cash equivalents	396,928.54	-
Other bank balances (current and non current)	-	-
	402,558.54	-
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivables	-	-
	-	-

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

41 Capital management

For the purposes of Company's capital management, Capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company monitors capital using gearing ratio and net debt to EBITDA ratio. The company policy is to keep the gearing ratio between 0% to 25% and net debt to EBITDA less than 2 times.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Loan and borrowing *	-	-
Less : Cash and cash equivalent	(396,928.54)	-
Net debts	(396,928.54)	-
Equity / Net Worth	(363,657.53)	-
Total Capital	(363,657.53)	-
Capital and Net debts	(760,586.07)	-
Gearing Ratio (Net Debt/Capital and Net Debt)	52.19%	0.00%
EBITDA (after exceptional items)	(559,235.37)	0.00
	(559,235.37)	-
Net debt to EBITDA (in times)	0.71	0.00

UNO Minda Auto Spare Parts and Components Trading L.L.C

Notes forming part of the standalone financial statements for the year ended March 31, 2024

(All amounts in AED, unless otherwise stated)

43 Ratio Analysis and its elements

Ratios	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Explanation for the change in the ratio by more than 25% as compared to previous year.
(a) Current Ratio (times)	Current assets	Current liabilities	0.53	-	- Not applicable
(b) Debt-Equity Ratio (times)	Total Borrowings {refer note (i)}	Total equity	-	-	- The increase is due to increase in borrowings of company as compared to previous year.
(c) Debt Service Coverage Ratio (times)	Earnings available for debt service {refer note (ii)}	Debt service {refer note (iii)}	-	-	- The increase is due to increase in earnings available for debt service and decrease in debt service pursuant to repayment of loans in previous year
(d) Return on Equity Ratio %	Net Profits after taxes	Average shareholder's equity {refer note (iv)}	309.99%	0.00%	Increase in Return on Equity Ratio is due to increase in net profits after taxes for the year as compared to previous year.
(e) Inventory turnover ratio (times)	Cost of goods sold	Average inventory {refer note (v)}	#DIV/0!	-	- Not applicable
(f) Trade receivables turnover ratio (times)	Net credit revenue from operations	Average trade receivables {refer note (vi)}	#DIV/0!	-	- Not applicable
(g) Trade payables turnover ratio (times)	Net credit purchases	Average trade payables {refer note (vii)}	6.71	-	- Increase in ratio is due to increase in net credit purchase during the year pursuant to increase in operation in the current year.
(h) Net capital turnover ratio (times)	Revenue from operations	Working capital	+4.17	-	- Increase in net capital turnover ratio is due to (i) Increase in revenue from operation (ii) Increase in net working capital in the current year mainly due to increase in trade receivable & inventory on account of increase in business.
(i) Net profit ratio %	Net profit	Revenue from operations	-36.03%	0.00%	Net Profit ratio is increased due to increase in net profit during the current year as result of increase in revenue from operations with disproportionate increase in fixed cost.
(j) Return on capital employed %	EBIT {refer note (viii)}	Capital employed {refer note (ix)}	155.00%	0.00%	Return on capital employed is increased due to increase in EBIT as result of increase in revenue from operations with disproportionate increase in capital employed
(k) Return on investment	Income generated from investments	Time weighted average investments	-	-	- There were no investment as at March 31, 2023.

Notes:

- Borrowings includes long term and short term borrowing but does not include lease liabilities
- Earning for Debt Service = Net Profit after taxes + Depreciation and amortizations + Finance cost + Loss/(gain) on sale of property, plant and equipment
- Debt service = Interest and Lease Payments + Principal Repayments
- Average shareholder's equity = $\{(Total\ opening\ equity + Total\ closing\ equity) / 2\}$
- Average inventory = $\{(Total\ opening\ inventory + Total\ closing\ inventory) / 2\}$
- Average Trade receivable = $\{(Total\ opening\ trade\ receivables + Total\ closing\ trade\ receivables) / 2\}$
- Average Trade Payable = $\{(Total\ opening\ trade\ payable + Total\ closing\ trade\ payable) / 2\}$
- EBIT = Profit before exceptional item and tax + finance cost
- Capital Employed = Total equity + Total Borrowings + Deferred Tax Liability

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors of

UNO Minda Auto Spare Parts and Components Trading L.L.C

