

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Abhinava Rizel Private Limited**  
**Report on the Audit of Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of Abhinava Rizel Private Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at **March 31, 2024**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

**Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As the Company is not a listed entity, reporting of Key Audit Matters is not applicable.

### **Information other than the financial statements and Auditors' Report thereon**

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

### **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, the Board of Directors of the Company is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company is also responsible for overseeing the financial reporting process of the Company.

#### **Auditors' Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e) On the basis of the written representations received from the Directors as on March 31, 2024 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2024 from being appointed as a Director in terms of Section 164(2) of the Act;

- f) Our opinion on the adequacy of the internal financial controls system with reference to financial statements and the operating effectiveness of such controls is not applicable to the Company, as the turnover of the Company as per the latest audited financial statements is less than Rupees Fifty Crores and the aggregate borrowings from Banks or financial institutions or any body corporate at any point of time during the year was less than Rupees Twenty five Crores.
- g) As the Company is a private limited company, including details in accordance with the requirements of Section 197(16) of the Act, as amended with respect to the remuneration paid by the Company to its Directors during the year is not applicable.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigation which would impact its financial position.
  - ii. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been

received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

For G R N K & Co  
Chartered Accountants  
Firm Reg No. 016847S

Place : Tiruchirapalli  
Date: 29/05/2024

G.R. Naresh Kumar  
Partner  
Membership No.215577  
UDIN: 24215577BKCLRZ7598

**ANNEXURE A TO THE INDEPENDENT AUDITORS'REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Abhinava Razel Autoparts Private Limited of even date)

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

I In respect of the Company's Property, Plant and Equipment and Intangible Assets:

- a) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- b) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and Rules made thereunder.

II

- a) The Company has not been sanctioned working capital limit by a Bank in excess of Rupees Five Crores during the year. Accordingly, reporting under Clause 3(ii)(b) of the Order is not applicable.

III

According to the information and explanations furnished to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, Clauses 3(iii)(a) to (f) are not applicable to the Company.



- IV In our opinion and according to the information and explanations furnished to us, the Company has not given any loan, made any investment, provided any guarantee and given any security to which the provisions of Sections 185 and 186 of the Act are applicable.
- V During the year, the Company has not accepted any deposits or amounts which are deemed to be deposits. Hence reporting under Clause 3(v) of the Order is not applicable.
- VI The maintenance of cost records under Section 148 (1) of The Act has not been specified by The Central Government for the business activities carried on by the Company. Thus, reporting under Clause 3(vi) of the Order is not applicable to the Company.
- VII In respect of statutory dues:
- a) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities
  - b) There were no undisputed amounts payable in respect of any of the above statutory dues in arrears as at March 31, 2024 for a period more than six months from the date they became payable

- c) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.

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

- IX (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.  
(b) The Company has not been declared as a wilful defaulter by any Bank or financial institution or other lender.  
(c) The company has not availed term loans were during the year. The Term Loans availed in the Years have been applied for the purpose for which the loans were obtained.  
(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have not been utilised for long term purposes.  
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its fellow subsidiaries.  
(f) The Company does not hold any securities in its fellow subsidiary and hence Clause 3(ix)(f) of the Order is not applicable.

- X (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- XI (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.  
(c) There were no whistle-blower complaints received during the year by the Company.
- XII The Company is Not a Nidhi Company. Accordingly, para 3 (xii) of The Order is not applicable to the Company.
- XIII Based on the audit procedures performed and information and explanations given by the management, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act 2013 were applicable and details of such transactions are duly reported in the standalone Financial Statements as required by the applicable Accounting Standards.
- XIV (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year.
- XV In our opinion, the Company has not entered in to any non-cash Transactions with Directors or persons connected with him and hence, the provisions of Section 192 of the Companies Act 2013 are not applicable to the Company.

XVI (a) In our opinion, no registration is required under Section 45 IA of The Reserve Bank of India Act. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

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

XVII The Company has not incurred cash losses during the financial years 2022-23 and 2023-24.

XVIII There has not been any resignation by the statutory auditor of the company.

XIX(a) The Company is not obliged to spend amounts towards Corporate Social Responsibility ("CSR"). Accordingly, reporting under Clauses 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For G R N K & Co  
Chartered Accountants  
FRN: 016847S

Place : Tiruchirapalli  
Date : 29.05.2024

PARTNER  
Membership No. 215577

**ABHINAVA RIZEL PRIVATE LIMITED**

Balance Sheet as at 31st March 2024			₹ in Lakhs	
Particulars		Note No.	As at 31 March 2024	As at 31 March 2023
<b>A</b>	<b>ASSETS</b>			
1	<b>Non-current Assets</b>			
1.1	Property, Plant and Equipment			
1.1.1	Property, Plant and Equipment	3	928.17	127.16
1.1.2	Capital work-in-progress		1,246.61	145.52
			2,174.78	272.68
1.2	Financial Assets			
1.2.1	Non-current investments	4	-	-
1.2.2	Long-term loans and advances	5	-	-
1.3	Other non-current assets	6	-	-
			-	-
2	<b>Current Assets</b>			
2.1	Inventories	7	126.55	6.83
2.2	Financial Assets			
2.2.1	Trade receivables	8	-	-
2.2.2	Cash and cash equivalents	9	0.50	1,202.79
2.2.3	Bank balances other than (2.2.2) above		-	-
2.2.4	Short-term loans and advances	10	1,014.34	205.05
2.3	Other current assets	11	-	-
			1,141.39	1,414.67
			<b>3,316.17</b>	<b>1,687.35</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
1.1	Equity Share capital	12	264.00	264.00
1.2	Other Equity	13	1,320.00	1,320.00
1.3	Equity attributable to owners		1,584.00	1,584.00
1.4	Non-controlling interest		36.00	36.00
			1,620.00	1,620.00
2	<b>Non-current liabilities</b>			
2.1	Financial liabilities			
2.1.1	Long-term borrowings	14	1,521.26	-
2.2	Deferred tax liabilities (net)			
2.3	Other long-term liabilities	15	-	-
			1,521.26	-
3	<b>Current liabilities</b>			
3.1	Financial liabilities			
3.1.1	Short-term borrowings	16	66.05	-
3.1.2	Trade payables			
	(a) total outstanding dues of micro enterprises and small enterprises; and		-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	17	108.86	67.35
3.2	Other current liabilities	18	-	-
3.3	Short-term provisions	19	-	-
			174.91	67.35
	<b>TOTAL</b>		<b>3,316.17</b>	<b>1,687.35</b>
<b>See accompanying notes forming part of the financial statements</b>				
In terms of our report of even date				
Place: Chennai				
Date: 29 May 2024				

**ABHINAVA RIZEL PRIVATE LIMITED**

Profit and Loss Account for the year ended 31st March 2024			₹ in Lakhs	
Particulars		Note No.	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
A	CONTINUING OPERATIONS			
1	Revenue from operations	20	-	-
2	Other income	21	-	-
3	Total Income (1+2)		-	-
4	Expenses			
4.1	Cost of materials consumed	22	-	-
4.2	Changes in inventories of Finished Goods / Work-In-Process	23	-	-
4.3	Employee benefits expense	24	-	-
4.4	Finance costs	25	-	-
4.5	Depreciation and amortisation expenses	3.3	-	-
4.6	Other expenses	26	-	-
	Total expenses (4)		-	-
5	Profit / (Loss) before exceptional items and tax (3 - 4)		-	-
6	Exceptional items			
	Profit on Sale of Business Asset	21.6	-	-
7	Profit / (Loss) before tax (5 ± 6)		-	-
8	Tax expense:			
8.1	Current tax expense for current year			
8.2	Tax expense relating to prior years			
8.3	Net current tax expense		-	-
8.4	Mat Credit adjusted / (entitlement)			
10.5	Mat Credit entitlement			
8.5	Deferred tax and Mat Liability / (Asset)		-	-
9	Profit / (Loss) from continuing operations (7 ± 8)		-	-
B	DISCONTINUING OPERATIONS			
10	Profit / (Loss) from discontinued operations		-	-
11	Tax expenses of discontinued operations			
12	Profit / (Loss) from discontinued operations (10±11)		-	-
C	TOTAL OPERATIONS			
13	Profit / (Loss) for the year (9 ± 12)		-	-
14	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Other Comprehensive Income for the year, net of tax		-	-
15	Total Comprehensive Income for the year (13 ± 14) comprising Profit/ (Loss) and Other Comprehensive Income for the year		-	-
16	Earnings per share (of Rs. 10 /- each):			
16.1	Basic			
16.1.1	Continuing operations		-	-
16.1.2	Discontinued operations		-	-
16.1.3	Total operations		-	-
16.2	Diluted		-	-
16.2.1	Continuing operations		-	-
16.2.2	Discontinued operations		-	-
16.2.3	Total operations		-	-
See accompanying notes forming part of the financial statements				
In terms of our report of even date				
Place: Chennai				
Date: 29 May 2024				

## **Notes forming part of the financial statements**

### **1. Corporate information**

The Company was incorporated on 11 May 2022 is engaged in the business of design, manufacturing of parts / components for EV electric power train, electric motors and electric controllers' / drives gearbox etc., used in automotive, industrial, marine, aerospace etc. As on 31 March 2024, the Company has not commenced its production.

### **2. Significant accounting policies followed by the Company: -**

#### **2.1 Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (IndAS) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2015 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Sales does not include GST.

#### **2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian Accounting Standards (IndAS) requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### **2.3 Inventories**

Inventories comprising of tools, consumable stores and packing materials are valued at the lower of cost and the net realisable value (net of GST credits) ascertained on First in First out (FIFO) basis.

Work-in-progress is valued at the lower of cost and the net realizable value including applicable overheads. Scrap (stock in trade) is valued at the lower of cost and the net realizable value.

#### **2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)**

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

#### **2.5 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **2.6 Depreciation and amortisation**

Depreciation on tangible assets (except for assets individually costing Rs. 5000 or less) is provided in written down value method over the useful lives of the assets as prescribed under Schedule II to the Companies Act, 2013. Based on the technical evaluation, the Company determined that the useful life of the assets individually costing Rs. 5000 or less is one year and depreciated them fully in the year of purchase. In respect of assets purchased / sold during the year, depreciation is restricted to the period of use.

## **2.7 Revenue recognition**

During the year, Company has not commenced its production hence there is no revenue recognized.

## **2.8 Other income**

Interest income is accounted on accrual basis. Other items of income are accounted as and when the right to receive arises.

## **2.9 Tangible fixed assets**

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes all expenses incurred in connection with the acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets.

Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project. The Company has not acquired any assets out of any borrowings in Foreign currency.

### Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

## **2.10 Foreign currency transactions and translations**

The Company has not entered into any transaction in Foreign Currency.

## **2.11 Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. No long term investment has been made.

## **2.12 Employee benefits**

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences.

### Defined contribution plans

The Company's contribution to provident fund and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made.

### Defined benefit plans

For defined benefit plans in the form of gratuity fund, liabilities are determined on actuarial valuation using projected until credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions are recognised immediately in the statement of profit and loss.

### Short-term employee benefits

Compensated absences is accounted on cash basis.

## **2.13 Borrowing costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying



assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

#### **2.14 Segment reporting**

The Company is yet to commence its production.

#### **2.15 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

#### **2.16 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the statement of Profit and Loss.

#### **2.17 Research and development expenses**

No expenses have been incurred towards research and development.

#### **2.18 Impairment of assets**

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

**2.19 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes wherever required.

**2.20 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

**Name of the Company Abhinava Rizel Private Limited**  
**Notes forming part of the financial statements**  
**Note 3 Fixed Assets**

3.1	Tangible Assets	Gross block						
		Balance as at 1st April 2023 ₹ in Lakhs	Additions ₹ in Lakhs	Disposals ₹ in Lakhs	Effect of foreign currency exchange differences ₹ in Lakhs	Borrowing cost capitalised ₹ in Lakhs	Other adjustments ₹ in Lakhs	Balance as at 31st Mar 2024 ₹ in Lakhs
3.1.1	Land	-	-	-	-	-	-	-
3.1.2	Buildings	-	83.13	-	-	-	-	83.13
3.1.3	Plant and Equipment	5.41	370.93	-	-	-	-	376.34
3.1.4	Furniture and Fixtures	1.24	180.97	-	-	-	-	182.21
3.1.5	Vehicles	57.57	7.35	-	-	-	-	64.92
3.1.6	Office equipment	36.07	70.48	-	-	-	-	106.55
3.1.7	Goodwill	26.87	88.15	-	-	-	-	115.02
	<b>Total</b>	<b>127.16</b>	<b>801.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>928.17</b>
	<b>Previous year</b>		127.16	-	-	-	-	127.16

3.2	Tangible Assets	Accumulated depreciation and impairment					Net block	
		Balance as at 1st April 2023 ₹ in Lakhs	Depreciation / amortisation expense for the year ₹ in Lakhs	Eliminated on disposal of assets ₹ in Lakhs	Other adjustments ₹ in Lakhs	Balance as at 31st Mar 2024 ₹ in Lakhs	Balance as at 31st Mar 2024 ₹ in Lakhs	Balance as at 1st April 2023 ₹ in Lakhs
3.2.1	Land	-	-	-	-	-	-	-
3.2.2	Buildings	-	-	-	-	-	83.13	-
3.2.3	Plant and Equipment	-	-	-	-	-	376.34	5.41
3.2.4	Furniture and Fixtures	-	-	-	-	-	182.21	1.24
3.2.5	Vehicles	-	-	-	-	-	64.92	57.57
3.2.6	Office equipment	-	-	-	-	-	106.55	36.07
3.1.7	Goodwill	-	-	-	-	-	115.02	26.87
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>928.17</b>	<b>127.16</b>
	<b>Previous year</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	127.16	-

**Name of the Company Abhinava Rizel Private Limited**  
**Notes forming part of the financial statements**

Depreciation and amortisation relating to continuing operations:			
Particulars			
	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023	
	₹ in Lakhs	₹ in Lakhs	
3.3	Depreciation and amortisation for the year on tangible assets as per Note 2.6		
	Depreciation and amortisation for the year on intangible assets as per Note 2.6		
	Less: Utilised from revaluation reserve		
	Depreciation and amortisation relating to discontinuing operations (Refer Note 2.18)		
	Depreciation and amortisation relating to continuing operations		
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-

**Note 4 Non-current investments**

Particulars	<b>As at 31st March 2024</b>			<b>As at 31st March 2023</b>		
	Quoted # ₹ in Lakhs	Unquoted # ₹ in Lakhs	Total ₹ in Lakhs	Quoted ₹ in Lakhs	Unquoted ₹ in Lakhs	Total ₹ in Lakhs
Investments (At cost):						
4.1 Trade	NIL	NIL	NIL			
4.2 Other investments						
4.2.1 Investment in equity instruments						
- Fully Paid						
<b>Total - Other investments (4.2)</b>	-	-	-	-	-	-
Less: Provision for diminution in value of investments						
<b>Total</b>						
Aggregate amount of quoted investments						
Aggregate market value of listed and quoted investments						

<b>Note 5 Long-term loans and advances</b>		<b>₹ in Lakhs</b>	
<b>Particulars</b>	<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>	
5.1 Security deposits			
Secured, considered good	-	-	
Unsecured, considered good	-	-	
Doubtful	-	-	
Less: Provision for doubtful deposits	-	-	
	<b>0.00</b>	-	
5.2 Advance Income Tax			
5.3 Mat Credit Available			
5.4 Balances with government authorities			
Unsecured, considered good			
5.4.1 Others		-	
	-	-	
<b>Total</b>	-	-	
Note: Long-term loans and advances - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director. However the Loan to subsidiary Company has been given as above under item 5.4.1 to 5.4.3			

<b>Note 6 Other non-current assets</b>		
6.1 Long Term Inventories (At lower of cost and net realisable value)		
6.1.1 Raw materials	-	-
6.1.2 Work-in-progress - Steel Forgings	-	-
6.1.3 Stores& Spares	-	-
6.1.4 Consumable Tools	-	-
<b>Total</b>	-	-
6.2 Other Assets		
6.2.1 Sundry Debtors		
6.2.2 Advance to Suppliers		
<b>Total</b>	-	-

<b>Note 7 Inventories</b>		
(At lower of cost and net realisable value)		
7.1 Raw materials	118.81	4.51
7.2 Work-in-progress		
7.3 Stores and spares	7.74	2.32
7.4 Consumable Tools		
<b>Total</b>	<b>126.55</b>	<b>6.83</b>

<b>Note 8 Trade receivables</b>		
Trade receivables outstanding for a period not exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good		
Doubtful	-	-
Total	-	-
Less: Provision for doubtful trade receivables	-	-
<b>Total</b>	-	-
Note: Trade Receivables - No dues from Directors, Officers of the Company, Firms in which any Director is a partner or any Private Limited Companies in which any Director is a Director		



<b>Note 12 Share capital</b>		<b>As at 31st March 2024</b>		<b>As at 31st March 2023</b>	
<b>Particulars</b>	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs	
12.1 Authorised Equity shares of ₹ 10 each with voting rights	30,00,000	300.00	30,00,000	300.00	
12.2 Issued Equity shares of ₹ 10 each with voting rights	30,00,000	300.00	30,00,000	300.00	
12.3 Subscribed and fully paid up Equity shares of ₹ 10 each with voting rights	30,00,000	300.00	30,00,000	300.00	
(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:					
<b>Particulars</b>	Opening Balance	Buy back	Other changes (give details)	Closing Balance	
<b>Equity shares with voting rights</b>					
Year ended 31 March, 2024					
- Number of shares	30,00,000			30,00,000	
- Amount ₹ in lakhs	300.00			300.00	
Year ended 31 March, 2023					
- Number of shares	30,00,000			30,00,000	
- Amount ₹ in lakhs					
(2) Details of shares held by each shareholder holding more than 5% shares:					
<b>Class of Shares</b>	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights M M Forgings Limited	26,40,000	88.00%	26,40,000	88.00%	
(3) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date.					
<b>Particulars - Aggregate number of shares</b>			<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>	
Equity shares with voting rights			30,00,000	30,00,000	
Fully paid up by way of bonus shares					

<b>Note 13 Reserves and surplus</b>		<b>₹ in Lakhs</b>	
<b>Particulars</b>		<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
13.1 Capital reserve			
Opening balance	-	-	-
Add: Additions during the year	-	-	-
Profit on Sale of Land	-	-	-
Less: Utilised / transferred during the year	-	-	-
Closing balance	-	-	-
13.2 Securities premium account			
Opening balance	1,320.00	1,320.00	1,320.00
Closing balance	1,320.00	1,320.00	1,320.00
13.3 General reserve			
Opening balance			
Add: Transferred from surplus in Statement of Profit and Loss			
Less: Utilised / transferred during the year for Interim Dividend / Dividend Tax			
Closing balance			
13.4 Surplus / (Deficit) in Statement of Profit and Loss			
Opening balance			
Add: Profit for the year			
Less: Interim dividend	-	-	-
Dividends proposed to be distributed to equity shareholders Rs.8 per share)			
Transferred to: General Reserve			
Closing balance	-	-	-
<b>Total</b>		<b>1,320.00</b>	<b>1,320.00</b>

<b>Note 14 Long-term borrowings</b>		<b>₹ in Lakhs</b>	
<b>Particulars</b>		<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
Term Loans From Banks			
Secured			
Unsecured	M M Forgings Limited	1,521.26	
<b>Total</b>		1,521.26	-
Details of long-term borrowings guaranteed by some of the directors or others: <b>NIL</b>			

<b>Note 15 Other long-term liabilities</b>		<b>₹ in Lakhs</b>	
<b>Particulars</b>		<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
15.1 Trade Payables			
Other than acceptances		-	-
15.2 Others			
Rental Advance Received			
Payables on Purchase of Fixed Assets			
Provision for Gratuity and Compensated absence			
Advance from Customers			
<b>Total</b>		-	-

<b>Note 16 Short-term borrowings</b>		<b>₹ in Lakhs</b>	
<b>Particulars</b>		<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
16.1 Loans repayable on demand from Banks			
Secured			
Unsecured		66.05	
<b>Total</b>		<b>66.05</b>	-

<b>Note 17 Trade payables</b>		<b>₹ in Lakhs</b>	
Trade Payables - Other than Acceptances		108.86	67.35
<b>Total</b>		<b>108.86</b>	<b>67.35</b>

<b>Note 18 Other current liabilities</b>		<b>₹ in Lakhs</b>	
18.1 Current maturities of long-term debt - Secured			
18.2 Unpaid dividends			
<b>Total</b>		-	-
Note : Current maturities of long-term debt (Refer Notes 5.1 and 5.4 - Long Term Borrowings for details of Security)			

<b>Note 19 Short Term Provisions</b>		<b>₹ in Lakhs</b>	
19.1 Provision for tax (net of advance tax )			
19.2 Provision for proposed equity dividend			
<b>Total</b>		-	-

<b>Note 20 Revenue from operations</b>		<b>₹ in Lakhs</b>	
<b>Particulars</b>		<b>As at 31st March 2024</b>	<b>As at 31st March 2023</b>
20.1 Sale of products			
20.2 Other operating revenues			
<b>Total</b>		-	-
20.1.1 Sale of products comprises			
Manufactured goods			
Component Sales		-	-
<b>Total - Sale of products</b>		-	-
20.2.1 Other operating revenues			
Power Generated			
<b>Total - Other operating revenues</b>		-	-

<b>Note 21 Other income</b>			
21.1 Interest income from Bank Deposits			
21.2 Interest Received			
21.3 Dividend income: from long-term investments			
21.4 Miscellaneous Income			
21.5 Others		-	-
21.6 Profit on Sale of business assets			
<b>Total</b>		-	-



Note 22 Cost of materials consumed	₹ in Lakhs	
	As at 31st March 2024	As at 31st March 2023
Opening stock	4.51	
Add: Purchases	114.30	4.51
<b>Total</b>	<b>118.81</b>	<b>4.51</b>
Less: Closing stock	118.81	4.51
<b>Cost of material consumed</b>	<b>-</b>	<b>-</b>
Material consumed comprises: Raw material Steel Billets		

Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Inventories at the end of the year:		
Work-in-progress components		
Inventories at the beginning of the year:		
Work-in-progress components	-	-
<b>Net (increase) / decrease</b>	<b>-</b>	<b>-</b>

Note 24 Employee benefits expense		
24.1 Salaries and wages		
24.2 Managerial Remuneration		
24.2 Contributions to provident and other funds		
24.3 Staff Gratuity	-	
24.4 Staff welfare expenses		
<b>Total</b>	<b>-</b>	<b>-</b>

Note 25 Finance costs		
Interest expense on: Borrowings		-
<b>Total</b>	<b>-</b>	<b>-</b>

Note 26 Other expenses			₹ in Lakhs	
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
26.1 Consumption of Stores				
26.2 Consumption of Tools				
26.3 Outside Labour				
26.4 Power and fuel				
26.5 Repairs and Maintenance				
26.5.1 Buildings				
26.5.2 Machinery				
26.5.3 Machinery Spares			-	-
26.6 Selling Expenses				
26.6 Export Expenses				
26.7.1 Packing & Forwarding	-	-		
26.7.2 Freight	-	-		
26.7.3 Commission	-	-		
26.7.4 Warehousing Charges	-	-		
26.7.5 Others	-	-	-	-
26.8 Loss on fixed assets sold / scrapped / written off			-	-
26.9 Miscellaneous expenses				
<b>Total</b>			<b>-</b>	<b>-</b>
Miscellaneous expenses includes payment to auditors comprising of :				
As auditors - statutory audit			1.00	1.00
For taxation matters			0.50	0.50
Reimbursement of Expenses				
<b>Total</b>			<b>1.50</b>	<b>1.50</b>

Note 27 Additional information to the financial statements		₹ in Lakhs	
Particulars		As at 31st March 2024	As at 31st March 2023
27.1 Contingent liabilities and commitments (to the extent not provided for)			
27.1.1 Contingent Liabilities - Foreign Bills Discounted with Bank		-	-

Note 28 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
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CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES				
Name of the Company Abhinava Rizel Private Limited				
Cash Flow Statement for the period ended 31 Mar 2024		₹ in Lakhs		
Particulars	For the period ended 31 Mar 2024		For the Year ended 31 Mar 2023	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		-		
<u>Adjustments for:</u>				
Depreciation and amortisation				
(Profit) / Loss on sale / write off of assets				
Finance costs				
Interest income				
Dividend income				
		-		-
Operating Profit / (Loss) before working capital changes		-		-
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(119.72)		(6.83)	
Trade receivables				
Short-term loans and advances	(902.92)		(205.05)	
Long-term loans and advances				
Other current assets				
Other non-current assets				
<u>Adjustments for increase/(decrease) in operating liabilities</u>				
Trade payables	(0.30)		67.35	
Other current liabilities	41.81			
Other long-term liabilities				
		(981.13)		(144.53)
Cash generated from operations		(981.13)		(144.53)
Net income tax (paid) / refunds		-		-
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(981.13)</b>		<b>(144.53)</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances		(1,808.47)		(272.68)
Proceeds from sale of fixed assets				
Long Term Investments				1,620.00
Interest received				
Dividend received		-		-
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(1,808.47)</b>		<b>1,347.32</b>
<b>C. Cash flow from financing activities</b>				
Proceeds from long-term borrowings( Net)				
Proceeds from Issue of Preference Share Capital				
Repayment of long-term borrowings(Net)		-		-
Advance to Subsidiary Company		1,521.26		-
Net increase / (decrease) in working capital borrowings		66.05		
Finance cost				
Interim Dividend / Tax on Dividend		-		-
Dividends paid		-		-
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>1,587.31</b>		<b>-</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(1,202.29)</b>		<b>1,202.79</b>
Cash and cash equivalents at the beginning of the year		1,202.79		
Cash and cash equivalents at the end of the year		0.50		1,202.79
		<b>(1,202.29)</b>		<b>1,202.79</b>