

INDEPENDENT AUDITORS' REPORT

To the Members of DVS Industries Private Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of DVS Industries Private Limited (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at **March 31, 2022**, 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, 2022 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, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2022 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.

Place: Tiruchirapalli
Date: 25/05/2022

For G R N K & Co
Chartered Accountants
Firm Reg No. 016847S
G.R. Naresh Kumar
Partner
Membership No.215577
UDIN: 22215577AKHKYX6621

GRNK & CO
CHARTERED ACCOUNTANTS

PHONE: (0431) 4012931
26/ 5 AKILA LANDS
GANAPATHY COLONY SOUTH
T.V.KOIL, TIRUCHY – 620 005

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 DVS Industries 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. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
- (B) The Company has maintained proper records showing full particulars of intangible assets;
- b) The Company has a regular program of physical verification of Property, Plant and Equipment in a phased manner, which, in our opinion, is reasonable, considering the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations furnished to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the Title Deeds, comprising of all the immoveable properties are held in the name of the Company as at the Balance Sheet date.
- d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and Rules made thereunder.
- II a) The inventories have been physically verified by the Management during the year at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records were not material and they have been properly dealt with in the books of account.
- b) 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, 2022 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, 2022 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 willful defaulter by any Bank or financial institution or other lender.
- (c) The company has not availed term loans from Banks / Financial Institutions during the year or in the earlier years.

- (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.
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- XI
- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and 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 2020-21 and 2021-22.

XVIII There has not been any resignation by the statutory auditors of the Company.

XIX On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX (a) The Company is not obliged to spend amounts towards Corporate Social Responsibility (“CSR”).

(b) Accordingly, reporting under Clauses 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

Place: Tiruchirapalli
Date : 25.05.2022

For G R N K & Co
Chartered Accountants
FRN: 016847S
PARTNER
Membership No. 215577

Name of the Company DVS Industries Pvt Ltd			₹ in Lakhs	
Balance Sheet as at 31 March 2022			As at 31	As at 31
Particulars			March 2022	March 2021
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
1.1	Share capital	3	159.30	159.30
1.2	Reserves and surplus	4	(1,871.95)	(1,320.12)
			(1,712.65)	(1,160.82)
2	Non-current liabilities			
2.1	Long-term borrowings	5	8,494.95	8,298.49
2.2	Deferred tax liabilities (net)		(297.27)	(285.22)
2.3	Other long-term liabilities	6	28.23	5.20
			8,225.91	8,018.47
3	Current liabilities			
3.1	Short-term borrowings	7	-	-
3.2	Trade payables	8	1,406.46	1,850.32
3.3	Other current liabilities	9	-	-
3.4	Short-term provisions	10	-	-
			1,406.46	1,850.32
			7,919.72	8,707.97
	TOTAL			
B	ASSETS			
1	Non-current Assets			
1.1	Fixed Assets			
1.1.1	Tangible Assets	11	5,235.16	5,792.27
1.1.2	Capital work-in-progress		-	-
			5,235.16	5,792.27
1.2	Non-current investments	12		
1.3	Long-term loans and advances	13	60.72	50.14
1.4	Other non-current assets	14	659.40	537.67
			720.12	587.81
2	Current Assets			
2.1	Inventories	15	1,016.99	1,030.75
2.2	Trade receivables	16	818.29	1,146.56
2.3	Cash and cash equivalents	17	91.55	80.88
2.4	Short-term loans and advances	18	37.55	69.69
2.5	Other current assets	19	-	-
			1,964.38	2,327.88
			7,919.66	8,707.96
See accompanying notes forming part of the financial statements				
In terms of our report of even date				
For G R N K & Co				
Chartered Accountant				
Partner			Directors	
Place: Chennai			Company Secretary	
Date : 25.05.2022				

Name of the Company DVS Industries Pvt Ltd			₹ in Lakhs
Profit and Loss Account for the year ended 31st March 2022			

Particulars		Note No.	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
A	CONTINUING OPERATIONS			
1	Revenue from operations Net of Excise Duty	20	6,600.55	5,693.75
2	Other income	21	0.64	8.74
3	Total revenue (1+2)		6,601.19	5,702.49
4	Expenses			
4.1	Cost of materials consumed	22	4,234.79	3,415.53
4.2	Changes in inventories of Finished Goods / Work-In-Process	23	(215.99)	47.11
4.3	Employee benefits expense	24	893.46	666.48
4.4	Finance costs	25	438.81	398.45
4.5	Depreciation and amortisation Expenses	11.3	662.03	662.80
4.6	Other expenses	26	1,214.07	960.44
	Total expenses		7,227.17	6,150.81
5	Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(625.98)	(448.32)
6	Exceptional items			
	Profit on Sale of Business Asset			-
	Profit on Sale of Other Assets		50.06	173.06
7	Profit / (Loss) before extraordinary items and tax (5 ± 6)		(575.92)	(275.26)
8	Extraordinary items			
9	Profit / (Loss) before tax (7 ± 8)		(575.92)	(275.26)
10	Tax expense:			
10.1	Current tax expense for current year			
10.2	Tax expense relating to prior years		(12.00)	-
10.3	Net current tax expense		(12.00)	-
10.4	Mat Credit entitlement			
10.5	Deferred tax (Asset) / Liability		(12.06)	(285.22)
			(24.06)	(285.22)
11	Profit / (Loss) from continuing operations (9 ± 10)		(551.86)	9.96
B	DISCONTINUING OPERATIONS			
12	Profit / (Loss) from discontinuing operations		-	-
C	TOTAL OPERATIONS		(551.86)	9.96
13	Profit / (Loss) for the year (11 ± 12)		(551.86)	9.96
14	Earnings per share (of Rs. 10 /- each):			
14.1	Basic			
14.1.1	Continuing operations		(346.43)	6.25
14.1.2	Total operations		(346.43)	6.25
14.2	Diluted			
14.2.1	Continuing operations		(346.43)	6.25
14.2.2	Total operations		(346.43)	6.25
See accompanying notes forming part of the financial statements				
In terms of our report of even date				
For G R N K & Co				
Chartered Accountant				
Partner			Directors	
Place: Chennai			Company Secretary	
Date : 25.05.2022				

Name of the Company: DVS Industries Pvt Ltd
Notes forming part of the financial statements
Note 3 Share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
3.1 Authorised				
Equity shares of ₹ 100 each with voting rights	2,50,000	250.00	2,50,000.00	250.00
3.2 Issued				
Equity shares of ₹ 100 each with voting rights				
3.3 Subscribed and fully paid up				
Equity shares of ₹ 100 each with voting rights	1,59,299	159.30	1,59,299.00	159.30
(1) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:				

Particulars	Opening Balance	Buy back	Other changes (give details)	Closing Balance
Equity shares with voting rights				
As at 31 March 2022				
- Number of shares	1,59,299			1,59,299.00
- Amount ₹ in lakhs 159.30				
As at 31 March 2021				
- Number of shares	1,59,299			1,59,299.00
- Amount ₹ in lakhs 159.30				

(2) Details of shares held by each shareholder holding more than 5% shares:

Class of Shares	As at 31 March 2022		As at 31 March 2021	
	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	1,59,299	100.00	1,59,299	100.00
	1,59,299	100.00	1,59,299	100.00

(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.

Particulars	Aggregate number of shares	
	As at 31 March 2022	As at 31 March 2021
Equity shares with voting rights	1,59,299.00	1,59,299.00
Fully paid up by way of bonus shares	-	-

Note 4 Reserves and surplus

Particulars	₹ in Lakhs	
	As at 31 March 2022	As at 31 March 2021
4.1 Capital reserve		
Opening balance		
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	-	-
4.2 Securities premium account		
Opening balance	19.40	19.40
Closing balance	19.40	19.40
4.3 General reserve		
Opening balance	500.72	500.72
Add: Transferred from surplus in Statement of Profit and Loss		
Less: Utilised / transferred during the year for:		
Interim Dividend / Dividend Tax		
Closing balance	500.72	500.72
4.4 Surplus / (Deficit) in Statement of Profit and		
Opening balance	(1,840.24)	(1,850.21)
Add: Profit / (Loss) for the year	(551.83)	9.97
Less: Interim dividend / Dividend Tax		
Dividends proposed to be distributed to		
Tax on dividend		
Transferred to: General Reserve		
Closing balance	(2,392.07)	(1,840.24)
Total	(1,871.95)	(1,320.12)

Name of the Company: DVS Industries Pvt Ltd**Notes forming part of the financial statements****Note 5 Long-term borrowings**

Particulars	₹ in Lakhs	
	As at 31 March 2022	As at 31 March 2021
Term Loans From Banks		
Secured		
Unsecured	8,494.95	8,298.49
Total	8,494.95	8,298.49

5.1 Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	₹ in Lakhs		₹ in Lakhs	
	As at 31 March 2022		As at 31 March 2021	
	Secured	Unsecured	Secured	Unsecured
<u>Loans from</u>				
M M Forgings Limited		8,437.13		8,298.49
Cafoma Autoparts Pvt Ltd		57.82		
	-	8,494.95	-	8,298.49

Note 6 Other long-term liabilities

Particulars	₹ in Lakhs		₹ in Lakhs	
	As at 31 March 2022		As at 31 March 2021	
	Secured	Unsecured	Secured	Unsecured
6.1 Trade Payables				
Other than acceptances			-	-
6.2 Others Payables on Purchase of Fixed Assets			26.03	
Rental Advance Received			-	-
Advance from Customers			2.20	5.20
Total			28.23	5.20

Note 7 Short-term borrowings

7.1 Loans repayable on demand from Banks				
Secured				
Unsecured			-	-
Total			-	-

Note: Details of security for the secured short-term borrowings:

Loans repayable on demand from Banks	Hypothecation of Inventory/ Book Debts		
Total - from banks		-	-
No Default in the Servicing of the facility availed.			

Note 8 Trade payables

Trade Payables - Other than Acceptances		1,112.48	1,729.54
Total		1,112.48	1,729.54

Note 9 Other current liabilities

9.1 Current maturities of long-term debt - Secured			
9.2 Unpaid dividends			-
Total			-

Note : Current maturities of long-term debt (Refer Notes 5.1 and 5.4 - Long Term Borrowings for details of Security)

Note 10 Short Term Provisions

10.1 Provision for tax (net of advance tax)		-	-
10.2 Provision for proposed equity dividend			
Total		-	-

13.1 Security deposits			
Secured, considered good			
Unsecured, considered good		19.25	19.25
Doubtful		-	-
		19.25	19.25
Less: Provision for doubtful deposits		-	-
		19.25	19.25
13.2 Advance Income Tax		21.57	10.99
13.3 Mat Credit Available		19.90	19.90
13.4 Balances with government authorities			
Unsecured, considered good			-

Total 60.72 50.14

Note: Long-term loans and advances - No dues from Directors, Officers of the Company, Firms in which any Director

Notes forming part of the financial statements**Note 13 Long-term loans and advances****Particulars****As at 31
March 2022****₹ in Lakhs
As at 31
March 2021****Note 14 Other non-current assets**

14.1 Long Term Inventories (At lower of cost and net realisable value)

14.1.1 Raw materials

14.1.2 Work-in-progress - Steel Forgings

14.1.3 Stores & Spares

14.1.4 Banks

Total

14.2 Other Assets

14.2.1 Sundry Debtors

14.2.2 Advance to Suppliers

14.2.3 Insurance claims

Total**Note 15 Inventories**

(At lower of cost and net realisable value)

15.1 Raw materials

15.2 Work-in-progress - Steel Forgings

15.3 Stores and spares

15.4 Consumable Tools

Total**Note 16 Trade receivables**

Trade receivables outstanding for a period

Secured, considered good

Unsecured, considered good

Doubtful

Total

Less: Provision for doubtful trade receivables

Total

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

Note 17 Cash and cash equivalents

17.1 Cash on hand

17.2 Cheques, drafts on hand

17.3 Investments in Liquid funds

17.4 Balances with banks

17.4.1 In current accounts

17.4.2 In deposit accounts (Refer Note below)

Total

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 -

Cash Flow Statement is ₹ 76.18 Lakhs. (As at 31st March 2020 ₹ 138.09 Lakhs)

Note: Balances with banks include deposits amounting to ₹ 4.70 Lakhs as at 31st March 2021

which have an original maturity of more than 12 months. (As at 31st March 2020 - ₹ 4.70 Lakhs)

Note 18 Short-term loans and advances

18.1 Loans and advances to employees

Unsecured, considered good

Doubtful

Less: Provision for doubtful loans and advances

18.2 Prepaid expenses - Unsecured, considered good

18.3 Balances with government authorities - Unsecured, considered good

18.3.1 GST Input credit receivable

18.3.2 GST credit receivable

18.4 Others

Secured, considered good

Unsecured, considered good

Doubtful

Less: Provision for other doubtful loans and advances

Total

Note: Short-term loans and advances - No amount is due from any Directors, Other Officers of the Company, Firms in

Note 19 Other current assets

19.1 Others

19.1.1 Insurance claims

Total

Notes forming part of the financial statements**Note 20 Revenue from operations**

Particulars		₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
20.1	Sale of products	6,600.55	5,693.75
20.2	Other operating revenues		
	Total	6,600.55	5,693.75
20.1.1	Sale of products comprises Component Sales	6,600.55	5,693.75
	Total - Sale of products	6,600.55	5,693.75
20.2.1	Other operating revenues Power Generated	-	-
	Total - Other operating revenues	-	-

Note 21 Other income

21.1	Interest income from Bank Deposits	0.26	1.69
21.2	Dividend income: from long-term investments	-	-
21.2	Miscellaneous Income	0.38	7.05
	Total	0.64	8.74

Note 22 Cost of materials consumed

Opening stock		629.45	125.31
Add: Purchases		4,059.33	3,919.67
		4,688.78	4,044.98
Less: Closing stock		453.99	629.45
Cost of material consumed		4,234.79	3,415.53

Material consumed comprises: Raw material Steel Billets

Note 23 Changes in inventories of finished goods, work-in-progress and stock-in-tradeInventories at the end of the year:

Work-in-progress components	460.72	244.73
-----------------------------	--------	--------

Inventories at the beginning of the year:

Work-in-progress components	244.73	291.84
-----------------------------	--------	--------

Net (increase) / decrease	(215.99)	47.11
----------------------------------	-----------------	--------------

Note 24 Employee benefits expense

24.1 Salaries and wages		843.88	638.79
24.2 Managerial Remuneration			
24.2 Contributions to provident and other funds		18.73	8.44
24.3 Staff Gratuity		-	0.88
24.3 Staff welfare expenses		30.85	18.37
	Total	893.46	666.48

Note 25 Finance costs

Interest expense on borrowings		438.81	398.45
	Total	438.81	398.45

Note 26 Other expenses

26.1 Consumption of Stores		240.97	155.38
26.2 Consumption of Tools		296.48	244.59
26.3 Outside Labour		39.41	34.96
26.4 Power and fuel		244.38	245.74
26.5 Repairs and Maintenance			
26.5.1 Buildings	8.02	12.34	
26.5.2 Machinery	60.59	45.80	
26.5.3 Machinery Spares	137.72	67.04	206.33
26.6 Selling Expenses		98.94	93.88
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	-	-	-
26.7 Loss on fixed assets sold / scrapped / written off		6.92	-
26.8 Miscellaneous expenses		80.64	60.71
	Total	1,214.07	960.44
Miscellaneous expenses includes payment to			
As auditors - statutory audit		5.46	4.35
For taxation matters			
Reimbursement of Expenses / Service Tax			
	Total	5.46	4.35

Notes forming part of the financial statements

Note 27 Additional information to the financial statements

Particulars

₹ in Lakhs
As at 31
March 2022
As at 31
March 2021

27.1 **Contingent liabilities and commitments (to the extent not provided)**
27.1.1 Contingenet Liabilities - Foreign Bills Discounted with Bank

NIL
-

Note 29 Disclosure as per Clause 32 of the Listing

29.1 Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such

NIL
NIL

29.2 The Directors of the Company are Directors/Partners of the following concerns:

Other Directorship

Other Committee Memberships

Sri. S.SUBRAMANIAN

Cafoma Autoparts Pvt Ltd Director
Abhinava Veriment Pvt Ltd Director
Suvarchas Vidyut Pvt Ltd Director

Sri. M.R.SANTHANAM

Horizon E-Tek Pvt Ltd Director

Sri. N.RAMNATH

Cafoma Autoparts Pvt Ltd Director
Suvarchas Vidyut Pvt Ltd Director

Sri. M.N.Rajaseakaran

Cafoma Autoparts Pvt Ltd Director

29.3 The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Receivable/
(Payable)
NIL
Receivable/
(Payable)
NIL

Receivable/ (Payable) in Foreign Currency

Particulars

As at 31
March 2022
As at 31
March 2021

29.4 **Value of imports calculated on CIF basis**

Raw materials	-	-
Consumable Stores / Tools		
Machinery Spares	6.37	4.65
Capital goods		

29.5 **Expenditure in foreign currency**

Travelling
Export Expenses
Staff Taining

29.4 **Details of consumption of imported and indigenous items**

	As at 31 March 2022		As at 31 March 2021	
<u>Imported</u>	₹ in Lakhs	%	₹ in Lakhs	%
Raw materials	-	0.00%	-	0.00%
Consumable Stores / Tools	-	0.00%	-	0.00%
Machinery Spares	6.37	0.91%	4.65	6.94%
	6.37		4.65	
<u>Indigenous</u>				
Raw materials	4,234.79	#REF!	3,415.53	#REF!
Consumable Stores / Tools	537.45	100.00%	399.97	100.00%
Machinery Spares	131.35	95.37%	62.39	93.06%
	4,903.59		3,877.89	

Particulars

As at 31
March 2022
As at 31
March 2021

29.5 **Earnings in foreign exchange**
Export of goods calculated on CIF basis

Note 30 Disclosures under Accounting Standards (contd.)

30.1 Details of government grants

Nil
Nil

30.2 Details of borrowing costs capitalised

Borrowing costs capitalised during the year
- as fixed assets / intangible assets / capital work-in-progress
- as inventory

Nil
Nil
Nil
Nil

30.3 - Claims against the Company not acknowledged as debts

Nil
Nil

Note 31 Deferred Tax Liability

(297.27)
(285.22)

Name of the Company **DVS INDUSTRIES PRIVATE LIMITED**

Notes forming part of the financial statements

Note 11 Fixed Assets

11.1	Tangible Assets	Gross block						Balance as at 31 Mar 2022
		Balance as at 1 April, 2021	Additions	Disposals	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	
11.1.1	Land	156.50						156.50
11.1.2	Buildings	890.70	4.08					894.78
11.1.3	Plant and Equipment	9043.04	153.19	103.85				9092.38
11.1.4	Furniture and Fixtures	55.82	0.00					55.82
11.1.5	Vehicles	219.37	26.76					246.13
11.1.6	Office equipment	126.30	2.69					128.99
11.1.7	Goodwill	265.68	0.00					265.68
	Total	10757.41	186.72	103.85	0.00	0.00	0.00	10840.28
	Previous year	10265.89	578.33	86.81	0.00	0.00	0.00	10757.41

All the Assets are Free Hold and None of them are Lease Hold or held for others use.

Note 11 Fixed Assets (contd.)

11.2	Tangible Assets	Accumulated depreciation and impairment				Net block		
		Balance as at 1 April, 2021	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Other adjustments	Balance as at 31 Mar 2022	Balance as at 31 Mar 2022	Balance as at 1 April, 2021
		₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
11.2.1	Land	0.00				0.00	156.50	156.50
11.2.2	Buildings	267.33	29.77			297.10	597.68	623.37
11.2.3	Plant and Equipment	4336.05	616.78	22.05		4930.78	4161.60	4706.99
11.2.4	Furniture and Fixtures	52.26	0.99			53.25	2.57	3.56
11.2.5	Vehicles	193.30	13.07			206.37	39.76	26.07
11.2.6	Office equipment	116.20	1.42			117.62	11.37	10.10
11.2.7	Goodwill	0.00			0.00	0.00	265.68	265.68
	Total	4965.14	662.03	22.05	0.00	5605.12	5235.16	5792.27
	Previous year	4317.62	662.80	15.28	0.00	4965.14	5949.72	5948.27

11.3 Depreciation and amortisation relating to continuing operations:

Particulars	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
	₹	₹
Depreciation and amortisation for the year on tangible assets as per Note 12A	662.80	632.81
Depreciation and amortisation for the year on intangible assets as per Note 12B	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	662.80	632.81

Note 12 Non-current investments

Particulars	As at 31 March 2022			As at 31 March 2021		
	Quoted #	Unquoted #	Total	Quoted	Unquoted	Total
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Investments (At cost):						
12.1 Trade	NIL	NIL	NIL	NIL	NIL	NIL
12.2 Other investments						
12.2.1 Investment in equity instruments - Fully Paid			-			-
Total - Other investments (12.2)	-	-	-	-	-	-
Less: Provision for diminution in value of investments			-			-
Total			-			-
Aggregate amount of quoted investments			-			-
Aggregate market value of listed and quoted investments			-			-

CASH FLOW STATEMENT FOR COMPANIES OTHER THAN FINANCE COMPANIES

Name of the Company DVS INDUSTRIES PRIVATE LIMITED

Cash Flow Statement for the year ended 31 March 2022

Particulars	₹ in Lakhs	
	For the year ended 31 Mar 2022	For the year ended 31 Mar 2021
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax		-575.85
<i>Adjustments for:</i>		
Depreciation and amortisation	662.00	662.80
(Profit) / Loss on sale / write off of assets	-43.14	-173.06
Finance costs	438.81	398.45
Interest income	-0.26	-1.69
	1,057.41	886.50
Operating Profit / (Loss) before working capital changes	481.56	611.26
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	13.76	-514.18
Trade receivables	328.27	-318.24
Short-term loans and advances	32.14	122.35
Long-term loans and advances	0.00	0.00
Other non-current assets	-121.73	-239.35
<i>Adjustments for increase/(decrease) in operating liabilities</i>		
Trade payables	-443.86	1,273.69
Other current liabilities	-10.58	16.49
Other long-term liabilities	23.03	0.00
	-178.97	340.76
Cash generated from operations	302.59	952.02
Net income tax (paid) / refunds	12.00	0.00
Net cash flow from / (used in) operating activities (A)	314.59	952.02
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	-186.70	-178.71
Proceeds from sale of fixed assets	124.87	244.59
Interest received	0.26	1.69
	-61.57	67.57
Net cash flow from / (used in) investing activities (B)	196.46	-683.06
C. Cash flow from financing activities		
Proceeds from long-term borrowings(Net)		
Loan from Holding Company		
Finance cost	-438.81	-398.45
Net cash flow from / (used in) financing activities (C)	-242.35	-1,081.51
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	10.67	-61.92
Cash and cash equivalents at the beginning of the year	80.88	142.80
Cash and cash equivalents at the end of the year	91.55	80.88
	10.67	-61.92

See accompanying notes forming part of the financial statements

In terms of our report of even date

For G R N K & Co

Partner

Director

Place: Chennai

Date : 25.05.2022

Company Secretary