

Independent Auditor's Report

To the Members of Isgec Titan Metal Fabricators Private Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **ISGEC TITAN METAL FABRICATORS PRIVATE LIMITED** ("the Company") which comprises the balance sheet as at March 31, 2024, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the material accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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 financial position of the Company as at March 31, 2024 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information Other than the Separate Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including annexures to Director's Report but does not include the separate financial statements and our auditor's report thereon.

Our opinion on the separate 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 separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate 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 that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind-AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment 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 Ind-AS financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure – A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;



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- c. The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure – B".
- g. In our opinion and to the best of our information and according to the explanations given to us, the requirement of section 197(16) of the Act regarding managerial remuneration is applicable to public Company only.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has no pending litigation in its financial statements
 - ii) The Company did not have any long-term contract and in case of derivative contracts, there is no material foreseeable losses.
 - iii) There has been no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) a) On the basis of the representation from the management no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("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) On the basis of the representation from the management no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"); with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly



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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) As stated in the note 43(c) to the financial statements. The dividend paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.
- vi) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Registration No. 000756N/N500441



(Neeraj Bansal)

Partner

Membership No. 095960

Place: New Delhi

Date: 21-05-2024

UDIN: 24095960BKEZYH9768



"ANNEXURE – A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ISGEC TITAN METAL FABRICATORS PRIVATE LIMITED

Referred to in paragraph 1 of report on other legal and regulatory requirement's paragraph of our report on the financial statement of even date,

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 and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has carried out physical verification of its Property, Plant and Equipment and right-of-use assets during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to information and explanation given to us and on the basis of our examination of the records, the Company has no leasehold land, hence clause 3(i)(c) of the order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) Based on the records and as per the information and explanation given to us 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 in 2016) and rules made thereunder.

ii. (a) The Inventories of the Company have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. As explained to us, the discrepancies noticed on verification between the physical stocks and the book records were not material (10% or more in aggregate for each class of inventory) and have been properly dealt with in the books of account.

(B) In our opinion and according to the information and explanations given to us, the quarterly statements filed by the company with banks or financial institutions are in agreement with the books of account of the Company.

(c) As per the information and explanation given to us, the Company has been sanctioned working capital limits in excess of Rs.Five crores in aggregate from banks during the year on the basis of security of current assets of the company. The Statement filed by the Company with such Bank are in Agreement with the Books of Accounts of the company.

iii In our opinion and according to the information and explanations given to us, the company has not made any investments in, not provided any guarantee or security, or not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore reporting under clause 3(iii) of the order is not applicable.



- iv. As per the information and explanation given to us and on the basis of our examination of the records, the company has not given any loan, made investments, provided any guarantees and security. Therefore reporting under clause 3(iv) of the order is not applicable.
- v. As per the information and explanation given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost records and Audit) Rules, 2014 under section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, goods and service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there is no disputed statutory dues as explained as per paragraph (vii)(a) above.
- viii. As per the information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 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. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) As per the information and explanation given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- (e) The Company has no subsidiary, joint ventures or associate companies. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has no subsidiary, joint ventures or associate companies. Hence, reporting under 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) During the course of our examination of the books and records of the Company, carried out in accordance with the Generally Accepted Auditing Practices in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor had been informed of such case by the management.

(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) As per information, explanations and representation the Company has not received any whistle blower complaint during the year.

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

xiii. As per the information & explanation given to us and on the basis of our examination of the records, the company has transacted with the related parties which are in compliance with 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements. Section 177 of the Companies Act, 2013 is not applicable to the Company.

xiv. As per the information and explanation given to us, the Company has no internal audit system as the provision of section 138 is not applicable to the Company.

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

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(d) As per the information & explanation given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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



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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.

xx. (a) As per the information and explanation given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no ongoing projects with the Company. Accordingly, reporting under Clause 3(xx)(b) of the Order is not applicable for the year.

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Registration No. 000756N/N500441

Place: New Delhi

Date: 21-05-2024

UDIN: 24095960BK EZYH9768



(Neeraj Bansal)

Partner

Membership No. 095960

"ANNEXURE – B" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ISGEC TITAN METAL FABRICATORS PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **ISGEC TITAN METAL FABRICATORS PRIVATE LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



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Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

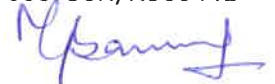
Opinion

In our opinion, based on records, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at March 31, 2024, based on "the internal control over financial reporting system & procedures established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Registration No. 000756N/N500441



(Neeraj Bansal)

Partner

Membership No. 095960

Place: New Delhi

Date: 21-05-2024

UDIN: 24095960BK EZYH9768



(Rs. in hundreds)

S. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
	ASSETS			
(1)	Non - current assets			
	(a) Property, plant and equipment	4	3,31,134.98	3,02,044.15
	(b) Right-of-Use Assets	5	-	99,633.14
	(c) Capital work in progress	6	3,84,356.27	50,692.90
	(d) Intangible assets	7	2,618.98	1,638.34
	(e) Financial assets			
	(i) Loans	8	152.65	368.25
	(f) Deferred tax assets (net)	9	-	10,243.90
	(g) Other non - current assets	10	1,076.67	1,800.00
	Total (Non - current assets)		7,19,339.55	4,66,420.68
(2)	Current assets			
	(a) Inventories	11	14,44,720.42	21,29,362.47
	(b) Financial assets			
	(i) Trade receivables	12	8,76,422.29	30,93,505.78
	(ii) Cash and cash equivalents	13	4,06,453.52	19,232.47
	(iii) Loans	14	384.80	184.80
	(iv) Other	15	7,351.57	2,767.19
	(c) Current tax assets (net)	25	14,883.42	-
	(c) Other current assets	16	1,42,335.11	2,47,206.91
	Total (Current assets)		28,92,551.13	54,92,259.62
	Total assets		36,11,890.68	59,58,680.30
	EQUITY AND LIABILITIES			
(1)	EQUITY			
	(a) Equity share capital	17	1,00,000.00	1,00,000.00
	(b) Other equity	18	16,23,399.09	14,59,044.21
	Total (Equity)		17,23,399.09	15,59,044.21
	LIABILITIES			
(2)	Non - current liabilities			
	(a) Provisions	19	16,122.56	21,005.42
	(b) Deferred tax liabilities (net)	9	465.06	-
	Total (Non - current liabilities)		16,587.62	21,005.42
(3)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	20		
	(ia) Working Capital Loan		18,762.40	24,07,103.20
	(ib) Lease liabilities		-	1,47,103.01
	(ii) Trade payables	21		
	Total outstanding dues of micro enterprises and small Enterprises		14,369.82	23,336.89
	Total outstanding dues of creditors other than micro enterprises and small Enterprises		6,76,961.04	3,16,221.88
	(iii) Other	22	2,48,275.60	38,056.32
	(b) Other current liabilities	23	8,73,115.66	13,63,893.26
	(c) Provisions	24	40,419.45	73,994.49
	(d) Current tax liabilities (net)	25	-	8,921.62
	Total (Current liabilities)		18,71,903.97	43,78,630.67
	Total Equity & Liabilities		36,11,890.68	59,58,680.30

Notes to Financial Statement 1 to 44

The accompanying notes form an integral part of the financial statements

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm Registration No.000756N/N500441

Neelesh Bansal
Partner
Membership No. 095960
Place: Noida
Date: 21.05.2024



For and on behalf of the Board of Directors
ISGEC Titan Metal Fabricators Private Limited

Aditya Puri
Director
DIN: 00052534

Sanjay Choudhary
Director
DIN: 09115178

ISGEC Titan Metal Fabricators Private Limited CIN: U28112HR2015PTC055874
Statement of Profit & Loss Account for the year ended 31.03.2024

S. No.	Particulars	Note No.	(Rs. in hundreds)	
			Year Ended 31.03.2024	Year Ended 31.03.2023
I	Revenue from operations	26	41,52,400.43	63,55,283.92
II	Other income	27	9,575.89	134.98
III	Total income (I + II)		41,61,976.32	63,55,418.90
IV	Expenses			
	Cost of materials consumed	28	14,86,915.09	48,74,714.83
	Changes in inventories of finished goods and work - in - progress	29	6,25,436.54	-10,63,213.98
	Employee benefits expenses	30	1,70,592.91	1,48,292.19
	Finance costs	31	34,385.36	1,19,576.41
	Depreciation and amortization expenses	32	1,51,139.43	1,37,423.89
	Other expenses	33	11,99,956.40	12,35,464.10
	Total expenses		36,68,425.73	54,52,257.44
V	Profit / (loss) before exceptional items and tax (III - IV)		4,93,550.59	9,03,161.46
VI	Exceptional items		-	-
VII	Profit / (loss) before tax (V - VI)		4,93,550.59	9,03,161.46
VIII	Tax expense			
	(1) Current tax	34	1,16,403.22	2,19,161.60
	(2) Deferred tax	34	11,021.48	10,977.98
	(3) Prior year tax adjustment	34	841.80	-
	Total Tax expense		1,28,266.50	2,30,139.58
IX	Profit / (loss) for the Period (VII- VIII)		3,65,284.09	6,73,021.88
X	Other comprehensive income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	a) Remeasurements of post employment benefits obligations		-1,241.73	3,119.88
	(ii) Income tax relating to items that will not be reclassified to profit or loss		312.52	(785.21)
	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		-	-
	Total other comprehensive income		-929.21	2,334.67
XI	Total comprehensive income for the period (IX + X)		3,64,354.88	6,75,356.55
XII	Earnings per equity share			
	(1) Basic /Diluted	35	36.53	67.30

The accompanying notes form an integral part of the financial statements

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm Registration No.000756N/N500441



Neeraj Bansal

Partner

Membership No. 095960

Place: Noida

Date: 21.05.2024



For and on behalf of the Board of Directors
ISGEC Titan Metal Fabricators Private Limited



Aditya Puri

Director

DIN: 00052534



Sanjay Choudhary

Director

DIN: 09115178

ISGEC Titan Metal Fabricators Private Limited CIN: U28112HR2015PTC055874
Statement of Cash Flows for the year ended 31.03.2024

		(Rs. in hundreds)	
S. No.	Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
A	Cash flow from operating activities :		
	Net Profit/ (Loss) Before Tax	4,93,550.59	9,03,161.46
	Adjustment for :		
	Depreciation and amortization of PPE	1,51,139.43	1,37,423.89
	(Gain) / Loss on disposal of PPE	96.00	-
	Interest Income	(9,565.89)	-102.53
	Lease Rent Paid	(1,55,000.00)	-1,55,000.00
	Finance costs	34,385.36	1,19,576.41
	Operating profit/(loss) before working capital changes	5,14,605	10,05,059.23
	Adjustments for changes in working capital :		
	(Increase) / Decrease in trade receivables	22,17,083.49	-21,92,382.68
	(Increase) / Decrease in other receivables	1,01,026.35	17,183.90
	(Increase) / Decrease in inventories	6,84,642.05	-8,31,179.02
	Increase / (Decrease) in trade and other payables	71,213.77	1,67,889.16
	Increase / (Decrease) in payables and provisions	(39,699.62)	-19,948.87
	Cash generated from Operations	35,48,871.53	-18,53,378.28
	Income Tax (Paid) / Received (Net of TDS)	(1,41,050.06)	-2,05,605.13
	Net Cash Flow from Operating Activities	34,07,821.47	-20,58,983.41
B	Cash flow from investing activities :		
	Purchase of property, plant and equipment including capital work-in-progress and intangible assets	(4,15,337.14)	-2,50,738.91
	Interest received	9,565.89	102.53
	Net Cash generated from Investing Activities	(4,05,771.25)	-2,50,636.38
C	Cash flow from financing activities :		
	Dividend paid on equity shares	(2,00,000.00)	-2,50,000.00
	Interest Paid	(26,488.37)	-99,812.70
	Proceeds from Borrowings	(23,88,340.80)	24,02,544.02
	Net Cash used in financing activities	(26,14,829.17)	20,52,731.32
	Net Increase / (Decrease) In Cash & Cash Equivalents	3,87,221.05	-2,56,888.47
	Cash and Cash equivalents as at Opening date	19,232.47	2,76,120.94
	Cash and cash equivalents at the end of the year	4,06,453.52	19,232.47
	Cash and cash equivalents comprise		
	Cash & Cheques on hand	643.15	543.15
	Balance with Banks	4,05,810.37	18,689.32
	Term Deposit with Banks	0.00	-
	Cash and cash equivalents	4,06,453.52	19,232.47

The accompanying notes form an integral part of the financial statements

For S S Kothari Mehta & Co. LLP
Chartered Accountants

Firm Registration No.000756N/N500441

Neeraj Banşal
Partner

Membership No. 095960

Place: Noida

Date: 21.05.2024



Aditya Puri
Director
DIN: 00052534

For and on behalf of the Board of Directors
ISGEC Titan Metal Fabricators Private Limited

Sanjay Choudhary
Director
DIN: 09115178

Statement of changes in equity for the year ended as on 31.03.2024

A. Equity share capital

(Rs. in hundreds)

Particulars	Amount
As at 01.04.2022	1,00,000.00
Changes during the year	-
As at 31.03.2023	1,00,000.00
Changes during the period	-
As at 31.03.2024	1,00,000.00

B. Other equity

(Rs. in hundreds)

Particulars	Reserve & Surplus	
	Retained Earnings	Total
As at 01.04.2022	10,33,687.66	10,33,687.66
Profit for the period	6,75,356.55	6,75,356.55
Dividend paid on equity shares	-2,50,000.00	-2,50,000.00
As at 31.03.2023	14,59,044.21	14,59,044.21
Profit for the period	3,64,354.88	3,64,354.88
Dividend paid on equity shares	-2,00,000.00	-2,00,000.00
As at 31.03.2024	16,23,399.09	16,23,399.09

* For more description, refer note 18.

Nature and Purpose of Reserve

Retained Earnings

This comprise company's undistributed profit after taxes.

The accompanying notes form an integral part of the financial statements

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm Registration No.000756N/N500441

Neeraj Bansal

Partner

Membership No. 095960

Place: Noida

Date: 21.05.2024



For and on behalf of the Board of Directors
ISGEC Titan Metal Fabricators Private Limited

Aditya Puri

Director

DIN: 00052534

Sanjay Choudhary

Director

DIN: 09115178

ISGEC Titan Metal Fabricators Private Limited

Notes to the Financial Statements

1. Corporate Information

ISGEC Titan Metal Fabricators Private Limited (the "Company") is a Joint Venture between Isgec Heavy Engineering Limited, India and Titan Metal Fabricators Inc, USA., holding 51% & 49% of the share capital respectively in the Company.

The main aim of JV is fabrication of equipment in Reactive Metals with superior infrastructure of ISGEC and proven technology of TITAN.

2. Summary of Material Accounting Policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Amendment Rules, 2018.

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

The financial statements are presented in Indian rupees (INR), except otherwise stated.

These financial statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments & Provisions which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Use of Estimates

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting Period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

2.3 Revenue Recognition

Sale of products and rendering of service

The Company recognises revenue when the company satisfies a performance obligation by transferring a promised good or service (i.e., an asset) to a customer. An asset is transferred when the customer obtains control of that asset and it is probable that the company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Revenue is measured at the transaction price. The transaction price is the amount of consideration, taking into account contractually defined terms of payment and its customary



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business practice, to which Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties i.e excluding taxes or duties collected on behalf of the government.

Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Other Income

- (i) Interest income is accounted on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (ii) Insurance Claims, export incentives, escalation, etc. are accounted for as and when the estimated amounts recoverable can be reasonably determined as being acceptable to the concerned authorities/parties.
- (iii) Other income like sale of scrap, profit on sale/write off of assets etc. are recognized as and when right to receive income arises, and there is no uncertainty in realization of the same.

The Company has adopted Ind AS 115 'Revenue from Contracts with Customers'. The application of Ind AS 115 did not have any material impact on the financial results of the Company.

2.4 Inventories

Raw materials & Stores & Spares: are valued at lower of weighted average cost or net realizable value. However, items held for use in production are not valued below cost if the finished goods in which these will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress: are valued at lower cost or net realizable value. Cost includes cost of direct materials and applicable direct manufacturing and administrative overheads.

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

2.5 Property, Plant & Equipment Recognition

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost includes its purchase price (net of input tax credit / duty credits wherever applicable), after deducting trade discounts and rebates. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria is met.

Capital spares directly attributable to the fixed assets are capitalised with the related assets.



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Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Derecognition

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

The assets residual values, useful life and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

2.6 Intangible Assets

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

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Costs incurred on acquisition of specialized software are capitalized.

The cost of intangible asset comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.7 Depreciation and Amortization

Depreciation is provided on Property, plant & Equipment in the manner and useful life prescribed in Schedule II to the Companies Act, 2013 as per the written down value method except in respect of certain Plant & Machinery which are depreciated as per straight line method. Capital spares directly attributable to the specific fixed assets are depreciated with the cost of the assets.



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The useful life of following assets are given below –

Asset	Useful life estimated by management
Plant & Machinery	Single shift - 15 Yrs. Double shift - 10 yrs. Triple shift - 7-6 yrs.
Tools & implements	Single shift - 15 Yrs. Double shift - 10 yrs. Triple shift - 7-6 yrs.
Lab Equipment's	10 yrs.
Library	15 Yrs.
Furniture & Fixtures	10 yrs.
Office Equipment's	5 Yrs.
Electrical appliances	10 Yrs.
Computer	3 Yrs.
Computer Software	5 Yrs.
Vehicle	8/10 Yrs.

Technical knowhows are amortized over a period not exceeding 10 years on a Straight-line method.

Assets (Tangible & Intangible) individually costing upto Rs. 5,000 are fully depreciated during the year of purchase.

2.8 Impairment of Non-Financial Assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



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2.9 Employee Benefits

(i) Provident Fund

The contributions are deposited in the Recognised Provident Fund accounts operated by the Regional Provident Fund Commissioner under the Employees Provident Fund and Miscellaneous Provisions Act 1952, on the basis of services rendered by the employees and is expensed as and when incurred.

(ii) Leave Encashment

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Liability is classified as current liability as the company does not have any conditional right to defer the payments.

Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income.

(iii) Other Short-Term Benefits

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.10 Leases

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

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

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

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (27) Impairment of non-financial assets.



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(ii) Lease Liabilities

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

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

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

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

2.11 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid/payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax is charged at the end of reporting period to profit & loss.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date.



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Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Current and deferred tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

MAT

Minimum Alternative tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

2.12 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed when

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) A present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.



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A contingent asset is disclosed, when possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liabilities and assets are not recognised but are disclosed in notes.

2.14 Earning Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The Weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, buy back of shares, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

2.15 Financial instruments

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

Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent measurement

For the purpose of subsequent measurement financial assets are classified in three broad categories:

A. Non-derivative financial instruments

(i) Debt instrument carried at amortized cost

A debt instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise



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on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments

(i) Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively.

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

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

For the purpose of hedge accounting, hedges are classified as Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

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

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

- (i) The contractual right to receive cash flows from the assets have expired, or
- (ii) The company has transferred its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

Reclassification of financial assets



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The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

2.16 Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.17 Impairment of Financial Assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

2.18 Foreign Exchange Transactions

Financial statements are presented in INR, which is company's functional currency.

Monetary assets and liabilities denominated in foreign currencies (except financial instruments designated as Hedge Instruments) are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

2.19 Preliminary Expenses

All expenses prior to commencement of commercial operation are aggregated as preliminary expenses. These are to be amortised in first financial year on commencement of commercial operations.

2.20 Fair Value Measurement

The Company measures financial instruments such as derivatives, at fair value at each balance sheet date.

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

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability



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

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

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

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

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

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

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

3. Critical accounting estimates and Judgements

(i) Income taxes:

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in financial statement.

(ii) Defined Benefit Plans:

The cost of defined benefit plans and the present value of obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, defined benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(iii) Contingencies:

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

4. Property, plant & equipment

(Rs. in hundreds)

Particulars	Plant & Machinery	Furniture & fixtures	Vehicles	Office Equipments	Total
Gross carrying value					
As at 01.04.2022	1,22,667.13	3,155.33	185.00	17,164.14	1,43,171.60
Additions	2,16,106.65	9,680.61	6,329.63	6,457.90	2,38,574.79
Disposals	-	-	-	-	-
As at 31.03.2023	3,38,773.78	12,835.94	6,514.63	23,622.04	3,81,746.39
Additions	63,106.09	4,952.11	-	11,530.18	79,588.38
Disposals	-	-	-	-	-
As at 31.03.2024	4,01,879.87	17,788.05	6,514.63	35,152.22	4,61,334.77
Depreciation					
As at 01.04.2022	31,636.26	1,284.96	132.97	9,646.47	42,700.66
Charge During the year	30,625.87	1,433.80	705.44	4,236.47	37,001.58
Disposals	-	-	-	-	-
As at 31.03.2023	62,262.13	2,718.76	838.41	13,882.94	79,702.24
Charge During the year	39,345.56	2,718.90	1,756.18	6,676.91	50,497.55
Disposals	-	-	-	-	-
As at 31.03.2024	1,01,607.69	5,437.66	2,594.59	20,559.85	1,30,199.79
Net Carrying Value					
As at 31.03.2023	2,76,511.65	10,117.18	5,676.22	9,739.10	3,02,044.15
As at 31.03.2024	3,00,272.18	12,350.39	3,920.04	14,592.37	3,31,134.98

Notes :

- (i) Borrowing cost capitalised during the year is nil (Previous year nil).
- (ii) Revaluation of Property, plant & equipment - Nil (Previous year- nil).
- (iii) Immovable property - Nil (Previous year- nil).



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

5. Right of Use Assets

(Rs. in hundreds)		
Particulars	Category of ROU Manufacturing Assets	Total
Gross carrying value		
As at 01.04.2022	4,98,165.94	4,98,165.94
Addition	-	-
Disposal	-	-
As at 31.03.2023	4,98,165.94	4,98,165.94
Addition	-	-
Disposal	-	-
As at 31.03.2024	4,98,165.94	4,98,165.94
Depreciation		
As at 01.04.2022	2,98,899.60	2,98,899.60
Charge During the year	99,633.20	99,633.20
Disposal	-	-
As at 31.03.2023	3,98,532.80	3,98,532.80
Charge During the period	99,633.14	99,633.14
Disposals	-	-
As at 31.03.2024	4,98,165.94	4,98,165.94
Net Carrying Value		
As at 31.03.2023	99,633.14	99,633.14
As at 31.03.2024	-	-

Interest charge for the period on lease liabilities

7,896.99

Total cash outflow (payment) for leases :

Leases for which Right to use assets is recognised

1,55,000.00

Leases considered as short term

Movement in Lease liabilities for the year ended 31.03.2024 :-

(Rs. in hundreds)	
Particular	Total
As at 01.04.2023	1,47,103.01
Addition	-
Finance cost accrued during the period	7,896.99
Deletion	-
Payment of lease liability	1,55,000.00
As at 31.03.2024	-



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

6. Capital Work In Progress

Particulars	(Rs. in hundreds)					Total
	Plant & equipment	Furniture & fixtures	Vehicle	Office Equipments	Intangible	
As at 01.04.2022	38,528.78	-	-	-	-	38,528.78
Additions	2,28,270.77	9,680.61	6,329.63	6,457.90	-	2,50,738.91
Borrowing costs	-	-	-	-	-	-
Capitalized	2,16,106.65	9,680.61	6,329.63	6,457.90	-	2,38,574.79
As at 31.03.2023	50,692.90	-	-	-	-	50,692.90
Additions	3,89,106.46	4,952.11	-	19,193.18	2,085.39	4,15,337.14
Borrowing costs	-	-	-	-	-	-
Capitalized	63,106.09	4,952.11	-	11,530.18	2,085.39	81,673.77
As at 31.03.2024	3,76,693.27	-	-	7,663.00	-	3,84,356.27

a) Ageing of Capital work-in-progress

Capital work-in-progress ageing schedule for the year ended March 31, 2024 is as follows:

Sr. No.	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	more than 3 years	
	<u>Projects in progress</u>					
1	30 T Goliath Crane	2,16,722.13	-	-	-	2,16,722.13
2	Bend Roll	1,04,171.14	-	-	-	1,04,171.14
3	30 Ton Trolley For Material Movement	23,000.00	-	-	-	23,000.00
4	Tig Welding Machine	27,550.00	-	-	-	27,550.00
5	Air Compressor	5,250.00	-	-	-	5,250.00
6	Desktop For Titan Staff	5,075.00	-	-	-	5,075.00
7	Vacuum Cleaner	1,689.00	-	-	-	1,689.00
8	Floor Moping Machine	899.00	-	-	-	899.00
	Sub Total	3,84,356.27	-	-	-	3,84,356.27
	<u>Projects temporarily suspended</u>					
1	Sub Total	-	-	-	-	-
	Total	3,84,356.27	-	-	-	3,84,356.27

Capital work-in-progress ageing schedule for the year ended March 31, 2023 is as follows:

Sr. No.	Particulars	Amount in CWIP for a period of				Total
		Less than 1 year	1-2 years	2-3 years	more than 3 years	
	<u>Projects in progress</u>					
1	Electric Heat Treatment Furnace	33,052.90	-	-	-	33,052.90
2	Flange Facing M/C Pneumatic	16,140.00	-	-	-	16,140.00
3	Flange Facing M/C Manual	1,500.00	-	-	-	1,500.00
	Sub Total	50,692.90	-	-	-	50,692.90
	<u>Projects temporarily suspended</u>					
1						
	Sub Total	-	-	-	-	-
	Total	50,692.90	-	-	-	50,692.90



b) Capital work-in-progress completion schedule :

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2024 :

Sr. No.	Particulars	to be completed in				Total
		Less than 1 year	1-2 years	2-3 years	more than 3 years	
1	30 T Goliath Crane	2,16,722.13	-	-	-	2,16,722.13
2	Bend Roll	1,04,171.14	-	-	-	1,04,171.14
2	30 Ton Trolley For Material Movement	23,000.00	-	-	-	23,000.00
2	Tig Welding Machine	27,550.00	-	-	-	27,550.00
2	Air Compressor	5,250.00	-	-	-	5,250.00
2	Desktop For Titan Staff	5,075.00	-	-	-	5,075.00
2	Vacuum Cleaner	1,689.00	-	-	-	1,689.00
3	Floor Moping Machine	899.00	-	-	-	899.00
	Total	3,84,356.27	-	-	-	3,84,356.27

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of March 31, 2023 :

Sr. No.	Particulars	to be completed in				Total
		Less than 1 year	1-2 years	2-3 years	more than 3 years	
1	Electric Heat Treatment Furnace	33,052.90	-	-	-	33,052.90
2	Flange Facing M/C Pneumatic	16,140.00	-	-	-	16,140.00
3	Flange Facing M/C Manual	1,500.00	-	-	-	1,500.00
	Total	50,692.90	-	-	-	50,692.90

7. Intangible assets

(Rs. in hundreds)		
Particulars	Software	Total
Gross carrying value		
As at 01.04.2022	3,945.54	3,945.54
Additions	-	-
Disposals	-	-
As at 31.03.2023	3,945.54	3,945.54
Additions	2,085.39	2,085.39
Disposals	640.00	640.00
As at 31.03.2024	5,390.93	5,390.93
Amortization		
As at 01.04.2022	1,518.09	1,518.09
Additions	789.11	789.11
Disposals	-	-
As at 31.03.2023	2,307.20	2,307.20
Additions	1,008.75	1,008.75
Disposals	544.00	544.00
As at 31.03.2024	2,771.95	2,771.95
Net Carrying Value		
As at 31.03.2023	1,638.34	1,638.34
As at 31.03.2024	2,618.98	2,618.98

Notes:

- 1) Cost of Software includes Purchase Price, Duties & Taxes (other than refundable from tax authorities).
- 2) Useful life of software is 5 years.
- 3) Revaluation of intangible assets- Nil (Previous year- nil).



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

8. Non- current financial assets- Loans

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured, considered good Loans to Employees	-	-
Unsecured, considered good Loans to Employees	152.65	368.25
Total	152.65	368.25

9. Deferred tax assets / liabilities (net)

The balance comprises temporary differences attributable to:

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Preliminary Expenditure debited to statement of Profit and Loss but allowed for tax purpose in subsequent years	-	-
Timing Difference as per section 43B of Income Tax Act	2,121.47	942.17
Expected Credit Loss	-	-
WDV of Property, Plant and Equipments	(2,586.53)	(2,645.48)
Right to Use Asset (Net off Lease Liability)	-	11,947.21
Closing Balance	-465.06	10,243.90

9.1 Movement in Deferred Tax Assets

(Rs. in hundreds)

Particulars	Defined Benefit Obligation	PPE	Right to Use Asset (Net off Lease Liability)	Total
As at 01.04.2022	1,452.86	(353.57)	20,907.80	22,007.09
(Charged)/credited:-				
-to profit & loss	274.52	(2,291.91)	(8,960.59)	(10,977.98)
-to other Comprehensive Income	(785.21)	-	-	(785.21)
-Deferred tax on basis Adjustment	-	-	-	-
As at 31.03.2023	942.17	-2,645.48	11,947.21	10,243.90
(Charged)/credited:-				
-to profit & loss	866.78	58.95	(11,947.21)	(11,021.48)
-to other Comprehensive Income	312.52	-	-	312.52
-Deferred tax on basis Adjustment	-	-	-	-
As at 31.03.2024	2,121.47	-2,586.53	-	-465.06

10. Other non - current assets

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Capital Advances	1,076.67	1,800.00
Total	1,076.67	1,800.00



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

11. Inventories

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Raw materials		
-Raw materials	2,70,117.63	3,52,657.17
-Raw materials in Transit	64,057.24	99,498.44
Work-in-progress		
-Engineering Goods	9,72,676.63	15,98,113.17
-Stores and Spares	1,36,110.77	77,592.89
-Stores and Spares in Transit	-	-
-Loose tools	1,758.15	1,500.80
Total	14,44,720.42	21,29,362.47

12. Current financial assets- Trade receivables

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Undisputed Trade receivables		
Trade receivable considered good- Unsecured		
- Related parties	-	5,594.96
- Others	8,76,422.29	30,87,910.82
Trade receivable which have significant	-	-
Trade receivable- Credit impaired	-	-
Less: Provision for Expected credit loss	-	-
Total	8,76,422.29	30,93,505.78

Ageing of Trade Receivables

Particulars	(Rs. in hundreds)						
	Outstanding as on March 31, 2024 for the following period from the due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good							
(ia) Related parties	-	-	-	-	-	-	-
(ib) Others	2,87,569.70	5,88,852.59	-	-	-	-	8,76,422.29
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
Total	2,87,569.70	5,88,852.59	-	-	-	-	8,76,422.29

Particulars	(Rs. in hundreds)						
	Outstanding as on March 31, 2023 for the following period from the due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables- considered good							
(ia) Related parties	5,594.96	-	-	-	-	-	5,594.96
(ib) Others	26,41,350.53	4,46,560.29	-	-	-	-	30,87,910.82
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
Total	26,46,945.49	4,46,560.29	-	-	-	-	30,93,505.78



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

13. Current financial assets- Cash & cash equivalents

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Balances with banks		
In Current accounts	-	18,689.32
In Cash Credit accounts	5,810.37	-
In fixed deposit accounts with original maturity of less than three months	4,00,000.00	-
Cash on Hand	643.15	543.15
Total	4,06,453.52	19,232.47

14. Current financial assets -Loans

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Secured, considered good		
Loans to Employees	200.00	-
Unsecured, considered good		
Loans to Employees	184.80	184.80
Total	384.80	184.80

15. Current financial assets- Other

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposit	3,231.50	1,708.31
Firm Commitment on Purchases	3,439.41	61.81
Firm Commitment on Sale	-	-
Imprest with Employees	281.76	997.07
Interest Accrued - on Fixed Deposit	398.90	-
Total	7,351.57	2,767.19

16. Other current assets

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Balances with Govt. authorities	1,04,905.63	1,24,465.31
Trade Advance	36,753.03	30,508.98
Pre-paid expenses	676.45	92,226.90
Export Incentive Receivable	-	5.72
Total	1,42,335.11	2,47,206.91

Note 16.1: All the advances are trade advances.



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

17. Share capital

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	(Rs. in hundreds)	Number of shares	(Rs. in hundreds)
Authorised				
Equity shares of Rs.10/-each with voting rights	1,00,00,000	10,00,000.00	10,00,000	1,00,000.00
Issued				
Equity shares of Rs.10/-each with voting rights	10,00,000	1,00,000.00	10,00,000	1,00,000.00
Subscribed & fully paid-up				
Equity shares of Rs.10/-each with voting rights	10,00,000	1,00,000.00	10,00,000	1,00,000.00
	10,00,000	1,00,000.00	10,00,000	1,00,000.00

17.1. Additional Information as per Schedule III

Notes:

- (a) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of Capital are as under:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of Liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by each of the equity share holders.

- (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year :

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	(Rs. in hundreds)	Number of shares	(Rs. in hundreds)
Equity shares outstanding at the beginning of the year	10,00,000	1,00,000.00	10,00,000	1,00,000.00
Add: Issued during the year	-	-	-	-
Less: Shares bought back	-	-	-	-
Equity shares outstanding at the close of the year	10,00,000	1,00,000.00	10,00,000	1,00,000.00

- (c) Detail of Shares held by each shareholder holding more than 5%

Class of shares/Name of the shareholders:	As at 31.03.2024		As at 31.03.2023	
	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				
(i) ISGEC Heavy Engineering Ltd.	5,10,000	51%	5,10,000	51%
(ii) Titan Metal Fabricators Inc	4,90,000	49%	4,90,000	49%

- (d) Detail of shareholding of promoters

Shares held by promoters at the end of the year		As at 31.03.2024		As at 31.03.2023		%age Change during the year
Promoter name		No. of Shares	%age of Share	No. of Shares	%age of Share	
(i) ISGEC Heavy Engineering Ltd.		5,10,000	51%	5,10,000	51%	0%
(ii) Titan Metal Fabricators Inc		4,90,000	49%	4,90,000	49%	0%
Total		10,00,000	100%	10,00,000	100%	0%

- (e) The Company has not issued any share other than cash from last five years.

- (f) The Company has increased its authorised equity share capital from Rs.100000 hundreds to Rs.1000000 hundreds during the year.



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

18. Other equity

Retained Earnings

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	14,59,044.21	10,33,687.66
Net profit for the year	3,64,354.88	6,75,356.55
Less: Appropriations		
- Dividend Distribution Account- Final Dividend for the year 2022-2023	2,00,000.00	2,50,000.00
Closing Balance	16,23,399.09	14,59,044.21

* Refer statement of changes in equity.

Note 18.1 : Nature and Purpose of Reserve

Retained Earnings

This comprise company's undistributed profit after taxes.

19. Non current- Provisions

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for warranty	6,102.46	14,332.92
Provision for employee benefits:		
-Gratuity (unfunded)	5,045.30	3,100.60
-Leave encashment (unfunded)	4,974.80	3,571.90
Total	16,122.56	21,005.42

20. Current financial liabilities- Short Term Borrowings

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured		
From banks: Working Capita Loan		
Cash Credit/ Overdraft Account (Refer note 20.1)	3,537.62	19,07,103.20
Working capital demand loan (WCDL) (Refer note 20.1)	-	5,00,000.00
Current Accounts (Book Overdraft)	15,224.78	-
Lease liabilities	-	1,47,103.01
Total	18,762.40	25,54,206.21

Note 20.1

Details of Securities offered for Cash credit and Working Capital Demand Loan:-

- 1.) Secured against first Pari-Passu charge on present and future current assets.
- 2.) Corporate Guarantee of ISGEC Heavy Engineering Limited.
- 3.) Rate of Interest varied from 8.35% to 10.5% during the above periods.



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

21. Current financial liabilities- Trade payables

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Trade payables		
a) To Micro and Small Enterprises	14,369.82	23,336.89
b) To other than Micro & Small Enterprises		
- To Related Parties	2,21,420.85	1,85,753.12
- To Others	4,55,540.19	1,30,468.76
Total	6,91,330.86	3,39,558.77

Note 21.1 : Trade payables to micro and small enterprises

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with the Company. Disclosure in respect of amount remaining unpaid and interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure as required under section 22 of the Act, is as under:

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
(a) Amount remaining unpaid to any supplier		
-Principal amount remaining	26,280.54	24,066.99
-Interest due on above	-	-
(b) Interest paid under MSMED Act, 2006	-	-
(c) Interest due (other than (b) above)	-	-
(d) Interest accrued and unpaid	-	-
(e) Interest due and payable till actual payment	-	-

Note 21.2 : Ageing of Trade payables

(Rs. in hundreds)						
Particulars	Not Due	Outstanding as on March 31, 2024 for the following period from the due date of payment				
		Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i) MSME						
(ia) Micro and Small Enterprises	14,369.82	-	-	-	-	-
(ib) Medium	-	11,910.72	-	-	-	11,910.72
(ii) Others	-	6,62,013.96	3,036.36	-	-	6,65,050.32
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
Total	14,369.82	6,73,924.68	3,036.36	-	-	6,76,961.04

(Rs. in hundreds)						
Particulars	Not Due	Outstanding as on March 31, 2023 for the following period from the due date of payment				
		Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i) MSME						
(ia) Micro and Small Enterprises	9,875.80	13,461.09	-	-	-	13,461.09
(ib) Medium	-	730.10	-	-	-	730.10
(ii) Others	-	3,10,780.48	4,711.26	-	-	3,15,491.74
(iii) Disputed Dues- MSME	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-	-
Total	9,875.80	3,24,971.67	4,711.26	-	-	3,29,682.93

Note: Micro and small enterprises not due amount of Rs. 9,875.80/- (in Hundreds) due to Performance Bank Guarantee.



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

22. Current financial liabilities- Other

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposits Receipts	2,992.35	2,992.35
Payable to employees	30,850.90	12,342.15
Salary & Wages- LTC Payable	-	3,708.61
Forward Derivative	3,439.41	61.81
Supplier of Capital goods	77,703.58	12,634.16
Other payable:		
- Expenses Payable	1,33,285.11	5,038.49
- Interest accrued but not due	4.25	351.37
- Stale Cheque	-	927.38
Total	2,48,275.60	38,056.32

23. Other current liabilities

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Advance from Customers:		
- To Related Parties	92,169.00	92,169.00
- To Others	7,60,813.31	12,44,767.63
Statutory dues payable (including PF and tax deducted at source)	20,133.35	26,956.63
Total	8,73,115.66	13,63,893.26

24. Short term provisions

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for warranty	40,132.17	73,803.59
Provision for employee benefits		
-Gratuity (unfunded)	39.93	4.99
-Leave encashment (unfunded)	247.35	185.91
Total	40,419.45	73,994.49

25. Current tax Asset/ (liabilities) (net)

(Rs. in hundreds)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for Income Tax	1,16,403.22	2,20,231.76
Less:		
Advance Income Tax/ Tax Deducted at Source	1,31,286.64	2,11,310.14
Total	14,883.42	(8,921.62)



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

26. Revenue from operations

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Sale of Products		
- Engineering Goods	38,49,866.75	62,11,858.14
Sale of Services	1,90,061.20	1,04,219.70
Other operating revenue	1,12,472.48	39,206.08
Total	41,52,400.43	63,55,283.92

Note 26.1 Other Operating Revenue

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Scrap and Waste Sale	70,570.60	11,469.52
Unclaimed Balances Written Back	-	477.58
Foreign Exchange Fluctuation	-	3,099.50
After Sale Service Charges	41,901.88	24,159.48
Total	1,12,472.48	39,206.08

27. Other income

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Interest Income		
- On Bank Deposits	9,565.89	102.53
Misc receipts	10.00	32.45
Total	9,575.89	134.98



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

28. Cost of materials consumed

(Rs. in hundreds)		
Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Raw Material Consumed (Refer Note 28.1)	14,85,189.97	48,73,439.54
Store consumed	1,725.12	1,275.29
Total	14,86,915.09	48,74,714.83

28.1 Details of Raw Materials and Components Consumed

(Rs. in hundreds)		
Type of Materials	Year Ended 31.03.2024	Year Ended 31.03.2023
Iron and Steel	7,01,978.20	13,48,240.59
Forgings	1,15,666.47	3,46,782.09
Tubes	1,37,203.85	21,73,697.52
Components issued for jobs	5,30,341.45	10,04,719.34
Total	14,85,189.97	48,73,439.54

29. Changes in inventories of finished goods, stock - in - trade & work - in - progress

(Rs. in hundreds)		
Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Opening stock		
Work - in - Progress	15,98,113.17	5,34,899.19
Total opening balance	15,98,113.17	5,34,899.19
Closing stock		
Work - in - Progress	9,72,676.63	15,98,113.17
Total closing balance	9,72,676.63	15,98,113.17
Net (Increase)/ Decrease in Inventory	6,25,436.54	(10,63,213.98)



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

30. Employee benefits expenses

Particulars	(Rs. in hundreds)	
	Year Ended 31.03.2024	Year Ended 31.03.2023
Salaries & wages	1,61,718.23	1,40,135.77
Contribution to provident & other funds	8,260.06	7,563.48
Staff welfare expenses	614.62	592.94
Total	1,70,592.91	1,48,292.19

Note 30.1 Details of Employees Benefits Expenses

The disclosure of employee benefits as defined in IND AS-19 is given below:-

a) **Defined Contribution Plan:**

The Company has recognised, in the profit and loss account, expenses for the following Defined Contribution Plan:

Particulars	(Rs. in hundreds)	
	2023-24	2022-23
Provident Fund	4,748.74	4,433.31
Total	4,748.74	4,433.31

b) **Defined Benefits Plan :**

Description	(Rs. in hundreds)			
	Gratuity (Non Funded)	Leave Encashment (Non-funded)	Gratuity (Non Funded)	Leave Encashment (Non-funded)
	2023-24	2023-24	2022-23	2022-23
i. Change in Present value				
a. Present Value of Obligation at the beginning of the year	3,105.59	3,757.81	3,156.46	2,616.20
b. Interest cost	229.50	277.70	229.16	189.94
c. Current service cost	2,094.54	2,747.90	1,624.47	2,167.05
d. Benefits paid	-	-28.51	-	-
e. Actuarial (gain) / loss	-344.40	-1,533.75	-1,904.50	-1,215.38
f. Present Value of Obligation at the end of the year	5,085.23	5,221.15	3,105.59	3,757.81
ii. Change in the Fair Value				
a. Fair Value of Plan Assets at the beginning of the year				
Acquisition adjustment				
b. Fund opening difference				
c. Actual return on plan assets				
d. Fund charges				
e. Contributions				
f. Benefits paid				
g. Actuarial Gain / (Loss) on Plan Assets				
h. Fair Value of Plan Assets at the end of the year	-	-	-	-
iii. Reconciliation of Fair				
a. Present Value of Obligation at the end of the year	5,085.23	5,221.15	3,105.59	3,757.81
b. Fair value of Planned assets at the end of the year	-	-	-	-
c. Amount recognised in the Balance Sheet	-5,085.23	-5,221.15	-3,105.59	-3,757.81
iv. Expenses reconciled in				
a. Current Service Cost	2,094.54	2,748.90	1,624.47	2,167.05
b. Net Interest Cost	229.50	277.70	229.16	189.94
c. Expected Return on Plan Assets		-1,533.75		-1,215.38
d. Net actuarial (gain)/loss recognised in profit/loss				
e. Expenses recognised in the statement of Profit & Loss	2,324.04	1,492.85	1,853.63	1,141.61



Description	Gratuity (Non- Funded)	Leave Encashment (Non-funded)	Gratuity (Non- Funded)	Leave Encashment (Non-funded)
	2023-24	2023-24	2022-23	2022-23
v. Recognised in other comprehensive income for the year				
a. Net cumulative unrecognized actuarial gain/(loss) opening				
b. Actuarial gain / (loss) for the year on PBO	344.40	-	701.50	-
c. Actuarial gain / (loss) for the year on Asset				
d. Unrecognized actuarial gain/(loss) at the end of the year	344.40	-	701.50	-
vi Maturity Profile of Defined Benefit Obligation				
1 Within the next 12 months (next annual reporting year)	39.93	247.35	4.99	185.91
2 Between 2 and 5 years	423.67	529.36	244.86	389.08
3 Between 6 and 10 years	4,621.63	4,445.44	2,855.74	3,182.82
vii Quantitative sensitivity analysis for significant assumptions is as below				
(i). Impact of the change in discount rate				
Present Value of Obligation at the end of the year	5,085.23	5,221.15	3,105.59	3,757.81
a. Impact due to increase of 0.50 %	-465.45	-481.75	-302.97	-354.85
b. Impact due to decrease of 0.50 %	525.20	541.90	344.74	399.82
(ii). Impact of the change in salary increase				
Present Value of Obligation at the end of the year	5,085.23	5,221.15	3,105.59	3,757.81
a. Impact due to increase of 0.50 %	526.51	544.00	346.07	402.22
b. Impact due to decrease of 0.50 %	-470.61	-484.01	-306.66	-356.68

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(ii) Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

viii Major categories of plan assets (as percentage of total plan assets)				
Insurer Managed Funds	100%		100%	
ix Actuarial assumptions				
a. Economic Assumptions				
i. Discounting Rate	7.25%	7.25%	7.39%	7.39%
ii. Salary escalation	6.50%	6.50%	6.50%	6.50%
b. Demographic Assumption				
i. Retirement Age (Years)	60	60	60	60
ii. Mortality rates inclusive of provision for disability				
iii. Ages				
	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	3	3	3	3
From 31 to 44 years	2	2	2	2
Above 44 years	1	1	1	1
Mortality Rates for specimen ages				

Age	Mortality Rate	Age	Mortality Rate	Age	Mortality Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.001680	70	0.024058	100	0.397733



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

31. Finance costs

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Interest Expense	22,964.49	96,310.70
Other borrowing costs	3,500.00	3,502.00
Interest on Late deposit of TDS	23.88	-
Interest on Lease Liability	7,896.99	19,763.71
Total	34,385.36	1,19,576.41

32. Depreciation and amortization expense

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Depreciation of Property, Plant & Equipment	50,787.42	37,001.58
Amortization of Intangible assets	718.87	789.11
Amortization on Lease Asset	99,633.14	99,633.20
Total	1,51,139.43	1,37,423.89

33. Other expense

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Other Manufacturing Expenses	3,40,620.72	6,43,775.76
Packing, Forwarding & Transportation Charges	22,535.32	15,998.56
Bank Charges	16,262.59	23,786.96
Facility Charges	19,164.10	19,143.92
Foreign Exchange Fluctuation	10,555.77	-
Printing & Stationary	2,368.97	1,189.54
Brokerage and Commission	2,23,919.06	1,05,584.15
News Paper & Periodicals (Reimbursement)	175.26	366.48
Loss on Assets write off	96.00	-
Rates & Taxes	6,750.00	3,184.25
Repair & Maintenance:		
- Machinery repair	22,012.68	19,610.40
- Building Repair	36,872.42	13,208.31
- Furniture and Other Repairs	678.30	6,810.43
Telephone Expenses	507.56	410.56
Advertisement Charges	12,024.88	4,895.21
Insurance Charges	3,427.32	5,257.15
Travelling Expenses	32,848.10	19,481.28
Professional Services	3,67,106.91	3,10,382.53
Auditors Remuneration:		
Statutory audit fees	4,000.00	4,000.00
Statutory audit Travelling Expenses	755.29	467.16
Statutory audit certification Expenses	450.00	-
Corporate social responsibility (Refer note no 44)	14,761.50	10,271.18
General Expenses	62,063.65	26,570.11
Interest on Late Deposit of Advance Tax	-	1,070.16
Total	11,99,956.40	12,35,464.10



ISGEC Titan Metal Fabricators Private Limited
Notes to the Financial Statements

34. Tax expense

(a) Income Tax Expense

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
(a) Current Taxes		
Current tax on profits for the year	1,16,403.22	2,19,161.60
Adjustments for current tax of prior periods	841.80	-
Total Current tax Expense	1,17,245.02	2,19,161.60
(b) Deferred Tax		
Decrease/ (Increase) in deferred tax assets	11,021.48	10,977.98
Total	1,28,266.50	2,30,139.58

(b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Profit before income tax expense	4,93,550.59	9,03,161.46
Statutory income tax rate of 25.168% (31.03.2023: 25.168%)	1,24,216.81	2,27,308.00
Add: Expenses disallowed for Tax Purposes		
- CSR Expenses	3,715.17	2,585.05
- Interest & Depreciation on Lease Liability & ROU (net of actual lease rent paid)	(11,947.22)	(8,960.59)
- Other comprehensive Income		
- Adjustment of tax relating to earlier year	841.81	
- Other Disallowances	860.77	543.53
Less: Deductions for Tax Purposes		
- Profit/(Loss) on sale of Property, Plant and Equipment (net)	(24.16)	-
- Excess of Depreciation as per IT Act over Depreciation as per Books	466.49	2,314.39
- DTA/DTL during the year	(11,021.48)	(10,977.98)
Less: Expenses Allowed for pervious year's disallowance		
Change in Rate of Tax		
Income tax Expense	1,28,266.50	2,30,139.58

35. Earning per share (Ind As 33):

In accordance with Indian Accounting Standard (Ind AS-33) on 'Earnings Per Share' the following table reconciles the numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Net profit / (loss) available to equity shareholders (Rs. in hundreds)	3,65,284.09	6,73,021.88
Number of weighted average equity shares outstanding during the year for the purpose of calculation of earning per share (Basic & Diluted)	10,00,000	10,00,000
Nominal value of equity share (in Rs.)	10.00	10.00
Basic & Diluted earning per share (in Rs.)	36.53	67.30



36 Related party transactions (Ind AS 24)

In accordance with the Indian Accounting Standard on "Related Party Disclosures" (IND AS-24), the disclosures in respect of Related Parties and Transactions with them, as identified and certified by the Management, are as follows:

1) Description and name of related parties

S. No.	Name of the Related Party	Country of Incorporation	% of Equity Interest	
			As at 31.03.2024	As at 31.03.2023
(i)	Joint Venture Partner			
1	ISGEC Heavy Engineering Limited	India	51	51
2	Titan Metal Fabricators Inc	USA	49	49
(ii)	Key Management Personnel			
1	Mr. Aditya Puri	Director		
2	Mr. Steven Fredrick Muscarella	Director		
3	Mr. Thomas William Muscarella	Director		
4	Mr. Sanjay Choudhary	Director		
(iii)	Entities over which key management personnel can exercise significant influence			
1	Yamuna Syndicate Limited			
2	ISGEC Hitachi Zosen Limited			
3	Saraswati Sugar Mills			

2) Details of related party transactions and outstanding balance

(Rs. in hundreds)			
S. No.	Nature of Transaction/ Relationship	2023-24	2022-23
a)	The following transactions were carried out with the related parties in the ordinary course of business		
1.	Joint Venture Partners		
	- ISGEC Heavy Engineering Limited		
i)	Purchase of Goods	1,10,188.34	80,893.12
ii)	Services Received	4,97,162.94	5,76,741.69
iii)	Rent Paid	1,55,000.00	1,55,000.00
iv)	Sale of Goods	10,446.43	71,907.02
v)	Services Rendered	1,88,261.20	1,469.70
vi)	Dividend Paid	1,02,000.00	1,27,500.00
	- Titan Metal Fabricators Inc		
i)	Purchase of Goods	-	347.48
ii)	Dividend Paid	98,000.00	1,22,500.00
2.	Entities over which key management personnel can exercise significant influence		
	- ISGEC Hitachi Zosen Limited		
i)	Services Received	-	4,923.06
ii)	Purchase of Goods	-	355.55
iii)	Services Rendered	-	8,700.00
	- Saraswati Sugar Mills		
i)	Purchase of Goods	76.93	-
	- Yamuna Syndicate Limited		
i)	Purchase of Goods	239.00	1,356.36
ii)	Purchase of Capital Goods	165.11	-
b)	Amount due to / from related parties		
	Joint Venture Partners		
	- ISGEC Heavy Engineering Limited		
i)	Amount payable as at year end	3,13,589.85	2,72,327.16

Terms and Conditions

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances at the year end are un-secured and settlement occurs in cash.



ISGEC Titan Metal Fabricators Private Limited
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37 Contingent Liabilities & Assets

Contingent Liabilities not provided for:

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
I. Bonds executed in favour of President of India against advance authorization.	1,30,000.00	93,000.00
II. Bank Guarantee at year end	27,21,980.00	23,94,324.08
II. Letters of Credit outstanding at year end	3,54,861.57	68,716.79
IV. Standby Letters of Credit outstanding at year end	-	21,177.00

38 Commitments

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
Capital Commitments		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	38,276.76	-

39 Segment Reporting

The Company operates in only one segment of engineering business which comprises of production and sales of Engineering Equipment's, identified in accordance with principle enunciated in Indian Accounting Standard AS-108, Segment Reporting. Hence, separate business segment information is not applicable.

Vice President of the company has been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

- a) The company is domiciled in India. The amount of its revenue is broken on the basis of location of customer.

Description	Year Ended 31.03.2024			Year Ended 31.03.2023		
	India	Outside India	Total	India	Outside India	Total
Revenue from Customers	41,52,400.43	-	41,52,400.43	61,75,722.00	1,79,561.92	63,55,283.92

- b) These assets are allocated based on the operation and physical location of the assets.

Description	Year Ended 31.03.2024			Year Ended 31.03.2023		
	India	Outside India	Total	India	Outside India	Total
Carrying amount of assets	7,18,110.23	-	7,18,110.23	3,54,375.39	-	3,54,375.39
Addition to fixed assets	81,673.77	-	81,673.77	2,38,574.79	-	2,38,574.79



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Notes to the Financial Statements

40. Ratio Analysis

Sl. No.	Ratios	Numerator	Denominator	Unit	31st March 2024	31st March 2023	Percentage variance	Explanation for any change in the ratio by more than 25% as compared to the preceding year
1	Current Ratio	Current assets	Current liabilities	In times	1.55	1.25	23.19	
2	Debt-Equity Ratio	Total debt	Total equity	In times	0.01	1.64	(99.34)	Decreased due to repayment of cash credit & working capital demand loan during current year.
3	Debt Service Coverage Ratio	Earning before interest, tax and depreciation & amortisation	Total debt	In times	36.19	0.45	7,868.32	Increased due to repayment of cash credit & working capital demand loan during current year.
4	Return on Equity Ratio	Profit after tax	Total equity	In times	0.21	0.43	(50.90)	Decreased due to lower profit during current year.
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	In times	0.34	0.65	(47.20)	Due to decrease in cost of goods sold during current year.
6	Trade Receivables Turnover Ratio	Revenue from operation	Average trade receivables	In times	0.52	0.80	(34.26)	Due to decrease in trade receivables during current year.
7	Trade Payables Turnover Ratio	Purchase of services, material and other expenses	Average trade payables	In times	0.89	3.91	(77.34)	Due to decrease in cost of materials consumed and other manufacturing expenses during current year.
8	Net Capital Turnover Ratio	Revenue from operation	Working capital	In times	4.07	5.71	(28.71)	Due to decrease in turnover during current year.
9	Net Profit Ratio	Profit after tax	Revenue from operation	In times	0.09	0.11	(16.93)	
10	Return on Capital Employed	Profit before interest and tax	Capital Employed	In times	27.46	0.40	6,729.76	Refer comment given for ratios at point no 2.



41 : Financial Instruments- Accounting classification and fair value measurement**Financial instruments by category**

(Rs. in hundreds)

Particulars	As at 31.03.2024			As at 31.03.2023		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Financial Asset						
Forward derivatives	-	3,439.41	-	-	61.81	-
Trade receivables	8,76,422.29	-	-	30,93,505.78	-	-
Cash and cash equivalents	4,06,453.52	-	-	19,232.47	-	-
Bank Balances	-	-	-	-	-	-
Loans	537.45	-	-	553.05	-	-
Others	3,912.16	-	-	2,705.38	-	-
Total Financial Assets	12,87,325.42	3,439.41	-	31,15,996.68	61.81	-
Financial Liabilities						
Forward derivatives	-	3,439.41	-	-	61.81	-
Borrowings	18,762.40	-	-	24,07,103.20	-	-
Trade payables	6,91,330.86	-	-	3,39,558.77	-	-
Other Financial Liabilities	2,44,836.19	-	-	37,994.51	-	-
Total Financial Liabilities	9,54,929.45	3,439.41	-	27,84,656.48	61.81	-

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (A) recognised and measured at fair value and (B) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the company has classified its financial instruments into three levels prescribed under the accounting standards.

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

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

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

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

(Rs. in hundreds)

Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed at 31.03.2023	Fair Value Measurement using			
	Carrying Value 31.03.2023	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets				
Other	61.81	-	61.81	-
Total Financial Assets	61.81	-	61.81	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	-	-	-	-
Other financial liabilities	61.81	-	61.81	-
Total Financial liabilities	61.81	-	61.81	-



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(Rs. in hundreds)

Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed at 31.03.2024	Fair Value Measurement using			
	Carrying Value 31.03.2024	Quoted price In Active Market (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
Financial Assets				
Other	3,439.41	-	3,439.41	-
Total Financial Assets	3,439.41	-	3,439.41	-
Financial Liabilities				
Borrowings	-	-	-	-
Trade payables	-	-	-	-
Other Financial Liabilities	3,439.41	-	3,439.41	-
Total Financial Liabilities	3,439.41	-	3,439.41	-

Valuation technique used to determine fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Specific valuation technique used to value financial instrument includes:

- > the use of quoted market prices or dealer quotes for similar financial instruments.
- > the fair value of financial assets and liabilities at amortised cost is determined using discounted cash flow analysis.

The following method and assumptions are used to estimate fair values:

The Carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value, due to their short term nature.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

Financial assets and liabilities measured at fair value and the carrying amount is the fair value.



42 Financial Risk Management

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. In order to minimise adverse effects on the financial performance of the Company, derivative financial instruments such as forward contracts and interest rates swaps are entered into to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not for trading and speculative instruments.

I. Market risk

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

The sensitivity analyses in the following sections relate to the position as at 31st March 2023 and 31st March 2024.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. The Company uses derivative financial instruments such as foreign exchange forward contracts of varying maturity depending upon the underlying contract and risk management strategy to manage its exposures to foreign exchange fluctuations.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of group borrowings to interest rate changes at the end of reporting period are as follows:

Particulars	(Rs. in hundreds)	
	31-03-2024	31-03-2023
Variable rate borrowings	18,762.40	24,07,103.20
Fixed rate borrowings	-	-
Total borrowings	18,762.40	24,07,103.20

(ii) As at the end of reporting period, the company had the following variable rate borrowings and interest rate swap contracts outstanding:

Particulars	31-03-2024			31-03-2023		
	Weighted average interest rate (%)	Balance	% of total loans	Weighted average interest rate (%)	Balance	% of total loans
Loans repayable on demand (Cash Credit)	9.81%	18,762.40	100%	9.75%	24,07,103.20	-
External Commercial Borrowings (including USD_INR Hedging Cost)	-	-	-	-	-	-
Interest rate swaps (Notional principal amount)	-	-	-	-	-	-
Net exposure to cash flow interest rate risk		18,762.40			24,07,103.20	

(iii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
INR	+ 60	+ 60	+ 113	+ 14443
	- 60	- 60	- 113	- 14443



(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates internationally and the Company has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The Company hedges its exposure to fluctuations by using foreign currency forwards contracts on the basis of risk perception of the management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

(Rs. in hundreds)			
Foreign currency exposure as at 31st March, 2024	USD	Euro	Total
Trade Receivables	-	-	-
Trade payables	168.90	4,02,205.59	4,02,374.49
Hedged Portion	-	2,65,157.11	2,65,157.11
Net Exposure to foreign currency risk (assets)	168.90	1,37,048.48	1,37,217.38
Foreign currency exposure as at 31st March, 2023	USD	Euro	Total
Trade Receivables	18,747.91	-	18,747.91
Trade payables	-	16,828.40	16,828.40
Hedged Portion	18,747.91	4,740.18	23,488.09
Net Exposure to foreign currency risk (assets)	-	12,088.22	12,088.22

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax and other comprehensive income:

Particulars	2023-24		2022-23	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	2	2	-	-
Euro	1,370	1,370	121	121

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

(c) Price Risk

The company does not hold any investments in equity as well as in debt instrument. Therefore, the company is not exposed to any price risk.

II. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- Actual or expected significant adverse changes in business.
- Actual or expected significant changes in the operating results of the counterparty.
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
- Significant increase in credit risk and other financial instruments of the same counterparty
- significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.



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b) The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

Ageing	Not Due	Less than 6 months	6-12 months	More than 12 Months	Total
As at 31-03-2024					
Gross Carrying Amount	2,87,569.70	5,88,852.59	-	-	8,76,422.29
Expected loss Rate (in percentage)		-			-
Expected Credit Loss (in Rs.)					-
Carrying Amount (net of impairment)	2,87,569.70	5,88,852.59	-	-	8,76,422.29

Ageing	Not Due	Less than 6 months	6-12 months	More than 12 Months	Total
As at 31-03-2023					
Gross Carrying Amount	26,46,945.49	4,46,560.29	-	-	30,93,505.78
Expected loss Rate (in percentage)		-			-
Expected Credit Loss (in Rs.)					-
Carrying Amount (net of impairment)	26,46,945.49	4,46,560.29	-	-	30,93,505.78

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed data over the expected life of the trade receivable and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward- looking estimates are analysed. In case of probability of non collection, default rate is 100%.

b) The following table summarises the change in the loss allowances measured using expected credit loss model (ECL):

Particulars	ECL for Trade Receivables
As at 01-04-2023	-
Provided during the year	-
Reversed During the Year	-
As at 31-03-2024	-

Note: As per simplified approach trade receivable outstanding for more than six month, 100% ECL being taken.

III. Liquidity Risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(Rs. in hundreds)					
As at 31-03-2024	Carrying Amount	On Demand	Less than 12 months	12 months to 3 years	Total
Borrowings	18,762.40	18,762.40	-	-	18,762.40
Trade payables	6,91,330.86	-	6,91,330.86	-	6,91,330.86
Other Liabilities	2,48,275.60	-	2,48,275.60	-	2,48,275.60
Total	9,58,368.86	18,762.40	9,39,606.46	-	9,58,368.86

As at 31-03-2023	Carrying Amount	On Demand	Less than 12 months	12 months to 3 years	Total
Borrowings	24,07,103.20	24,07,103.20	-	-	24,07,103.20
Trade payables	3,39,558.77	-	3,39,558.77	-	3,39,558.77
Other Liabilities	38,056.32	-	38,056.32	-	38,056.32
Total	27,84,718.29	24,07,103.20	3,77,615.09	-	27,84,718.29

Financing Arrangements

The Company had access to the following undrawn borrowing facilities at the end of reporting period:

(Rs. in hundreds)		
Particulars	As at 31.03.2024	As at 31.03.2023
Fund based limit	37,31,237.60	13,42,896.80



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43. Capital Management

(a) Risk Management

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

Particulars	(Rs. in hundreds)	
	As at 31.03.2024	As at 31.03.2023
Borrowings	18,762.40	24,07,103.20
Less : Cash & Cash Equivalents (note 13)	4,06,453.52	19,232.47
Net Debt	-3,87,691.12	23,87,870.73
Total Equity	17,23,399.09	15,59,044.21
Total Capital and Net Debt	13,35,707.97	39,46,914.94
Net debt to debt and equity ratio (Gearing Ratio)	(0.29)	0.60

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in notes 20.

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

(b) Loan Covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous years.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.

(C) Dividends

Particulars	(Rs. in hundreds)	
	Recognized in the year ending	
	March 31, 2024	March 31, 2023
(i) Dividends Recognized		
Dividend for the year ended March 31, 2023 Rs.20/- per equity share of Rs. 10/- each	2,00,000.00	
(for the year ended March 31, 2022 Rs.25/- per equity share of Rs. 10/- each)		2,50,000.00
(ii) Dividend proposed but not recognised in the books of accounts		
The Board of directors have recommended the payment of a final dividend of Rs.20/- per equity share of Rs. 10/- each , for the year ended March 31, 2024	-	
(March 31, 2023 Rs. 20/- per equity share of Rs. 10/- each)		2,00,000.00



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44. Disclosure regarding Corporate Social Responsibility (CSR) activities :

(Rs. in hundreds)

Particulars	Year Ended 31.03.2024	Year Ended 31.03.2023
(i) Amount required to be spent by the company during the year	14,761.50	10,271.18
(ii) Amount of expenditure incurred on		
a) Solar Power Systems in school	11,912.00	7,434.00
b) Stipend Paid to Apprentice selected for Training & Skill development	1,714.00	2,352.80
c) Administrative overheads	635.50	484.38
d) Contribution to Trusts & Other Societies for promoting education	500.00	-
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Environment, education, Skilling	Environment, education, Skilling
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard.	-	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

45. Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (vi) The Company has no subsidiary, associates and joint venture down word.
- (vii) The lender of the company has not declared company as wilful defaulter and also company has not defaulted in loan repayment of loan to the lender.

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm Registration No.000756N/N500441

Neeraj Bansal

Partner

Membership No. 095960

Place: Noida

Date: 21.05.2024



For and on behalf of the Board of Directors
ISGEC Titan Metal Fabricators Private Limited

Aditya Puri

Director

DIN: 00052534

Sanjay Choudhary

Director

DIN: 09115178