



17th ANNUAL REPORT

2022-23

DR AXION INDIA PRIVATE LIMITED
CIN: U50300TN2006PTC061870

BOARD OF DIRECTORS

Mr. Srinivasan Ravi
Chairman and Managing Director
(DIN: 01257716)

Mr. Kim Jong Seob
Joint Managing Director and Chief Executive
Officer (DIN: 07382589)

Mr. Ravi Gauthamram
Director (DIN: 06789004)

Mr. Tamraparni Srinivasan Venkata Rajagopal
Independent Director (DIN: 07148250)

Mrs. Vijaya Sampath
Independent Director (DIN: 00641110)

Chief Financial Officer:
Mr. C.B.Chandrasekar

Company Secretary
Mr. Shainshad Aduvanni

Statutory Auditors:
Sukumar & Associates,
Chartered Accountants, Chennai

Internal Auditors:
DSNR & Co.,
Chartered Accountants, Chennai

Cost Auditors:
Prasanna & Associates,
Cost Accountants, Chennai

Secretarial Auditors:
V. Sudarsan Babu & Associates,
Practising Company Secretary, Chennai

REGISTERED OFFICE
"No.7 Othappai Village, Uthukkottai Taluk,
Thiruvallur - 602023 Tamil Nadu India

COMMITTEES OF DIRECTORS

Audit Committee
Mr.Tamraparni Srinivasan Venkata Rajagopal,
Chairman
Mrs.Vijaya Sampath, Member
Mr.Srinivasan Ravi, Member

Nomination and Remuneration Committee
Mrs.Vijaya Sampath, Chairperson
Mr.Tamraparni Srinivasan Venkata Rajagopal,
Member
Mr.Ravi Gauthamram, Member

Corporate Social Responsibility Committee
Mr.Srinivasan Ravi, Chairman
Mrs.Vijaya Sampath, Member
Mr.Tamraparni Srinivasan Venkata Rajagopal,
Member

BANKERS AND LENDERS

- **HDFC Bank Limited**
- **Axis Bank Limited**

Directors' Report

To

The Members,

The Directors are pleased to present the Seventeenth (17th) Annual Report of the Company together with the audited financial statements for the year ended 31st March 2023.

In compliance with the applicable provisions of Companies Act, 2013, (including any amendments and statutory modification(s) thereof, for time being in force) ("Act"), this report covers the financial results and other developments during the financial year ended 31st March 2023, in respect of DR Axion India Private Limited.

1. FINANCIAL HIGHLIGHTS & STATE OF AFFAIRS:

1.1 The financial performance of the Company for the financial year ended 31st March 2023 is summarized below:

(₹ in Lakhs)

Particulars	Year ended	
	31.03.2023	31.03.2022
	Standalone	
Operating revenue	1,08,409.29	71,594.21
Other income	193.64	292.15
EBITDA	14,690.33	5,464.09
Less: Finance Cost	2,280.57	1,922.84
Less: Depreciation and Amortization	3,788.94	3,438.29
Profit before Tax (PBT)	8,620.82	102.95
Less: Tax	2,784.63	782.35
Profit after Tax for the year (PAT)	5,836.20	(679.40)

Standalone Financial Results:

During the Financial Year (FY) 2022-23, the Company has achieved income of ₹1,08,409.29 Lakhs as compared to ₹71,594.21 Lakhs in FY 2021-22. The profit before tax for FY 2022-23 stood at ₹8,620.82 Lakhs as compared to ₹102.95 Lakhs achieved in FY 2021-22. The profit after tax stood at ₹5,836.20 Lakhs for FY 2022-23 as compared to loss of the ₹679.40 Lakhs for the previous year.

2. DIVIDEND:

In order to conserve the resources for the future, the Board of Directors do not recommend any dividend for the financial year 2022-23.

3. TRANSFER OF UNCLAIMED DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends of a company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF").

In terms of the foregoing provisions of the Act, there is no dividend which remains outstanding or remain to be paid & require to be transferred to the IEPF by the Company during the year ended 31st March, 2023.

4. MAJOR EVENTS OCCURRED DURING THE FINANCIAL YEAR:

A Share Purchase Agreement ("SPA") has been executed on 29th December 2022 amongst: (i) the Company, (ii) Daerim International Co. Ltd. ("Seller"), (iii) DR Axion Co. Ltd., and (iv) Craftsman Automation Limited ("Purchaser") for acquiring 8,57,65,631 (Eight Crore Fifty Seven Lakh Sixty Five Thousand Six Hundred Thirty One) equity shares amounting to 76% (Seventy Six per cent) of the outstanding share capital of the Company with a face value of INR 10 (Indian Rupees Ten) by the Purchaser.

Accordingly, the Seller has transferred 8,57,65,631 equity shares to the Purchaser for a total consideration of ₹375 Crores on 1st February 2023. Thus, DR Axion India Private Limited has become a Subsidiary of Craftsman Automation Limited.

5. SHARE CAPITAL:

During the year under review, the Company has not altered/modified the authorised share capital of the Company.

The Authorised Share capital of the Company is ₹1,37,50,00,000 consisting of ₹1,33,00,00,000 divided into 13,30,00,000 Equity Shares of ₹10 each and ₹4,50,00,000 divided into 45,00,000 preference shares of ₹10 each.

During the year, 43,85,856 Compulsory convertible Preference Shares of ₹10 each were converted into 43,85,856 equity shares of ₹10 each vide resolution passed at the Board Meeting held on 25th January, 2023. The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise and has not issued any sweat equity shares to its directors or employees of the Company.

Accordingly, the Paid-up Share Capital of the Company as on 31st March, 2023 is ₹1,12,84,95,150 divided into 11,28,49,515 Equity Shares of ₹10 each fully paid up.

6. RESERVES AND SURPLUS:

The Company has not transferred any amount to the Reserves for the financial year ended 31st March, 2023.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In accordance with the requirements of Section 135 of the Act, the Company has constituted a Corporate

Social Responsibility (CSR) Committee and also formulated a Corporate Social Responsibility Policy (CSR Policy). The Annual Report on CSR activities of the Company during the financial year 2022-23 as required to be given under Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided in an **Annexure – 1** to this Report.

Pursuant to proviso to Section 135(5) of the Companies Act, 2013, the Company couldn't identify any projects inspite of efforts made. Hence, at the Board Meeting held on 25th March, 2023 the Board have decided to transfer ₹30,16,000 to any of the fund mentioned in Schedule VII of the Companies Act 2013 on or before 30th September, 2023. Accordingly, the Company had transferred ₹30,16,000 to the Prime Minister's National Relief Fund on 21st April, 2023 as specified under Schedule VII of the Companies Act, 2013.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Material Changes and Commitments from the end of financial year under review:

There are no material changes and commitments in the nature of business affecting the financial position of the Company which occurred between the FY ended 31st March, 2023 to which the Financial Statements relates and till the date of signing of this report.

9. RISK MANAGEMENT POLICY:

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has formulated and adopted a Risk Management Policy. The Company has been consciously following a policy of risk mitigation by diversifying its products, services, markets and customers.

10. VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES:

The Company has formulated a comprehensive Whistle Blower Policy in line with the provisions of Section 177(9) and Section 177(10) of the Companies Act, 2013 with a will to enable the stakeholders, including directors, individual employees to freely communicate their concerns about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company.

The mechanism provides adequate safeguards against victimization of directors or employees who avail of the mechanism.

11. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place a policy on prevention, prohibition and redressal of Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee has been constituted to redress the complaints received on the sexual harassment. All employees of the Company are covered under this policy.

The details of complaints received and disposed off during the financial year 2022-23 is as follows:

S. No.	Particulars	Remarks
(a)	Number of complaints of sexual harassment received in the year	Nil
(b)	Number of complaints disposed off during the year	Nil
(c)	Number of cases pending for more than ninety days	Nil
(d)	Number of workshops or awareness programme against sexual harassment carried out	Nil
(e)	Nature of action taken by the employer or District Officer	Nil

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has adopted a policy on Related Party Transactions. During FY 2022-23, all contracts/arrangements/transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. Hence, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 is not applicable.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:

Pursuant to Section 186 of Companies Act, 2013, disclosure on particulars relating to loans, advances,

guarantees and investments are provided as part of the financial statements in notes of Financial Statements.

14. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR:

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2022-23.

15. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR:

Not applicable during the financial year.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There were no significant / material orders passed by the regulators or courts or tribunals during the FY 2022-23, impacting the going concern status and Company's operations in future.

17. ANNUAL RETURN:

The Annual Return of the Company were being filed regularly. The Company doesn't have any official website, hence it is not required to place the Annual Return in the website. Copies of the Annual Return of the Company are available at the Registered Office for inspection by members at any time.

18. PUBLIC DEPOSITS:

The Company has not accepted any deposits under Chapter V of the Act during the financial year under review and as such, no amount on account of principal or interest on deposits from public is outstanding as on 31st March, 2023.

19. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE:

As on 31st March, 2023, the company does not have any Subsidiary, Joint venture company.

20. CHANGE IN NATURE OF BUSINESS:

During the year under review, there has been no change in the Company's nature of business.

21. DIRECTORS:

During the financial year 2022-23 under review, the Board at its meeting held on 1st February 2023 had appointed:

- i. Mr. Srinivasan Ravi (DIN: 01257716), as an Additional Director;
- ii. Mr. Ravi Gauthamram, (DIN:06789004) as an Additional Director;
- iii. Mrs. Vijaya Sampath (DIN: 00641110) as an Additional Director;
- iv. Mr. Tamraparni Srinivasan Venkata Rajagopal (DIN: 07148250) as an Additional Director.

Further, the shareholders of the Company at the Extra-Ordinary General Meeting (EGM) held on 1st February 2023 had appointed:

- i. Mr. Srinivasan Ravi (DIN: 01257716), as Chairman and Managing Director;
- ii. Mr. Ravi Gauthamram, (DIN:06789004) as Non- Executive, Non Independent Director;
- iii. Mrs. Vijaya Sampath (DIN: 00641110) as Non- Executive, Woman Independent Director;
- iv. Mr. Tamraparni Srinivasan Venkata Rajagopal (DIN: 07148250) as Non-Executive, Independent Director.
- v. Redesignated Mr. Kim Jong Seob (DIN:07382589) as Joint Managing Director and Chief Executive Officer.

Further, Mr. Heejin Cho (DIN: 06596153) resigned from the directorship of the Company w.e.f 1st February 2023.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Srinivasan Ravi (DIN: 01257716), Mr. Kim Jong Seob (DIN:07382589), retires by rotation and being eligible, offers themselves for reappointment at the ensuing Annual General Meeting. Their re-appointment appointment is placed for the approval of the members and forms

part of the notice of the ensuing Annual General Meeting.

22. KEY MANAGERIAL PERSONNEL:

Pursuant to Section 203 of the Companies Act, 2013, the following persons have been designated as the Key Managerial Personnel (KMP) of the Company:

- i. Mr. Srinivasan Ravi, Chairman and Managing Director*
- ii. Mr. Kim Jong Seob, Joint Managing Director and Chief Executive Officer **
- iii. Mr. C.B.Chandrasekar, Chief Financial Officer;*
- iv. Mr. Shainshad Aduvanni, Company Secretary.*

*Mr. Srinivasan Ravi, Mr. C.B.Chandrasekar, Mr. Shainshad Aduvanni were appointed as KMP at the Board Meeting dated 1st February 2023;

**Mr. Kim Jong Seob was redesignated as Joint Managing Director and Chief Executive Officer w.e.f 01st February 2023.

During the year, Mrs. Arthi Narsimman has resigned from the post of Company Secretary w.e.f 15th July 2022 and Mrs. Sandhya Raghavan was appointed as Company Secretary by the Board of Directors w.e.f 8th August 2022. Further, Mrs. Sandhya Raghavan has also resigned from the post of Company Secretary w.e.f. 1st February 2023 and Mr. Shainshad Aduvanni the Company Secretary of the holding Company was appointed as Company Secretary w.e.f. 1st February 2023.

23. COMMITTEES:

As per the requirements of the Companies Act, 2013, the following committees were constituted and the composition, meeting of committees held during the year are as follows.

i. Audit Committee:

The Board has constituted the Audit Committee at the meeting held on 1st February, 2023 and the members of the Audit Committee are as follows:

1. Mr. Tamraparni Srinivasan Venkata Rajagopal, Independent Director (Chairman)

2. Mrs. Vijaya Sampath,
Independent Director (Member)
3. Mr. Srinivasan Ravi,
Chairman and Managing Director (Member)

ii. **Nomination and Remuneration Committee:**

The Board has constituted the Nomination and Remuneration Committee (NRC) at the meeting held on 1st February, 2023 and the members of NRC are as follows:

1. Mrs. Vijaya Sampath,
Independent Director (Chairperson)
2. Mr. Tamraparni Srinivasan Venkata Rajagopal,
Independent Director (Member)
3. Mr. Ravi Gauthamram,
Non-Executive Director (Member)

iii. **Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee (CSR) was reconstituted at the meeting held on 1st February, 2023 with the following compositions:

1. Mr. Srinivasan Ravi,
Chairman & Managing Director (Chairman)
2. Mrs. Vijaya Sampath,
Independent Director (Member)
3. Mr. Tamraparni Srinivasan Venkata Rajagopal,
Independent Director (Member)
4. Mr. Kim Jong Seob,
Joint Managing Director and Chief Executive
Officer (Member)*
5. Mr. Heejin Cho, Director (Member) *

*Mr. Kim Jong Seob and Mr. Heejin Cho ceased to be members of Audit Committee of the Company with effect from 1st February, 2023.

During the FY 2022-23, the CSR Committee met three times on 4th April 2022, 8th July 2022 and 25th January 2023

24. **INTERNAL FINANCIAL CONTROLS:**

Internal Financial Controls and their Adequacy

In terms of Section 134(5)(e) of the Companies Act read with Rule 8(5)(viii) of Companies Accounts Rules 2014, the term Internal Financial Control means the policies and procedures adopted by a company for ensuring orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention

and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

Internal Control Over Financial Reporting (ICFR) remains an important component to foster confidence in a company's financial reporting, and ultimately, streamlining the process to adopt best practices. Your Company through Internal Audit Program is regularly conducting test of effectiveness of various controls. The ineffective and unsatisfactory controls are reviewed and remedial actions are taken immediately. The internal audit plan is also aligned to the business objectives of the Company. Further, the Audit Committee monitors the adequacy and effectiveness of your Company's internal control framework.

Adequate internal financial controls are in place which ensures the reliability of financial and operational information. The regulatory and statutory compliances are also ensured. The ERP solutions of Oracle enterprise wide resource platform is deployed in the Company. which enables the business processes and also ensures financial discipline and fosters accountability.

25. **AUDITORS & AUDITORS REPORT:**

A. Statutory Auditors

The Shareholders at their meeting held on 23rd September, 2022 had appointed M/s. Sukumar & Associates, Chartered Accountants, (Firm Registration No:005610S) as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the 16th AGM (FY 2021-22) till the conclusion of 21th AGM (FY 2025-26).

However, the M/s. Sukumar & Associates, Chartered Accountants have resigned w.e.f 22nd April 2023 and the Board has appointed M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai (Registration Number 003990S/S200018) subject to approval of shareholders to fill the casual vacancy. Approval of shareholders is also sought at this ensuing AGM for appointing M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai as Statutory Auditors of the Company for a term of five financial years from the conclusion of 17th AGM.

B. Statutory Audit Report

There are no qualifications, reservations or adverse remarks made by M/s Sukumar & Associates,

Statutory Auditors, Chennai, in their report for the financial year ended 31st March, 2023.

C. Internal Auditor

M/s. DSNR& Co., Chartered Accountants, Chennai, who were the internal auditors for the FY 2022-23 have carried out the internal audit for the FY 2022-23. Their internal audit reports for the FY2022-23 were reviewed by the Audit Committee.

The Board has appointed M/s.Sukumar & Associates,Chartered Accountants, Chennai as Internal Auditors to conduct the Internal Audit for the Financial Year 2023-24.

D. Cost Auditor

During the Financial Year 2022-23, the Company is required to maintain cost records under Companies (Cost Records and Audit) Rules, 2014. Accordingly, cost records have been maintained by the Company which were audited by Prasanna & Associates, Cost Accountants, Chennai, (Registration No. 102718).

In accordance with Section 148 of the Companies Act, 2013, the Board of Directors of the Company,re-appointed M/s.Prasanna & Associates, Cost Accountants, Chennai (Registration No. 102718) as the Cost Auditors of the Company to conduct the Audit of the Cost Accounting Records maintained by the Company for the Financial Year ending 31st March, 2024. M/s.Prasanna & Associates have confirmed that their appointment is within the limits of section 141(3)(g) of the Companies Act, 2013 and havealso certified that they are free from any disqualifications specified under section 141(3) read with Section 148(5) ofthe Companies Act, 2013.

The remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s.Prasanna & Associates Cost Auditor is included at item No.6 of the Notice convening the ensuing Annual General Meeting.

The Company is required to maintain the cost records as specified by the Central Government under Section 148(1) of the Companies Act,

2013and accordingly such accounts and records are being maintained.

E. Secretarial Auditor and Secretarial Audit:

Pursuant to the Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s.V.SudarsanBabu & Associates, Chennai as the Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for the FY 2022-23.

The Secretarial Audit Report, in form MR-3, forms part of the annexures to this Directors' Report as **Annexure-2**. The report does not contain any qualification, reservation, adverse remark or disclaimer.

F. Reporting of Frauds by Auditors:

During the year under review, the Statutory Auditors, Internal Auditors, Cost Auditors and the Secretarial Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013.

26. MEETINGS OF THE BOARD :

During the FY 2022-23, the Board of Directors met 14 (Fourteen) times and the details of the meetings of the Board as below. The gap intervening between two meetings was within the time prescribed under the Companies Act, 2013.

S.No	Type of Meeting	Date of Meeting
1.	Board Meeting	01-04-2022
2.	Board Meeting	24-06-2022
3.	Board Meeting	11-07-2022
4.	Board Meeting	14-07-2022
5.	Board Meeting	15-07-2022
6.	Board Meeting	17-08-2022
7.	Board Meeting	28-09-2022
8.	Board Meeting	28-09-2022
9.	Board Meeting	28-12-2022
10.	Board Meeting	09-01-2023
11.	Board Meeting	20-01-2023
12.	Board Meeting	25-01-2023
13.	Board Meeting	01-02-2023
14	Board Meeting	13-03-2023

Details of attendance of meetings of the Board Meeting are as below:

SI No	Name of Directors and Designation	Date of Appointment	Number of Board Meetings Entitled to Attend	Number of Board Meetings Attended
1	Mr. Kim Jong Seob, Joint Managing Director and CEO	01-12-2015	14	14
2	Mr. Heejin Cho, Director*	24-05-2013	13	13
3	Mr.Srinivasan Ravi, Chairman and Managing Director**	01-02-2023	2	2
4	Mr. Ravi Gauthamram, Non-Executive Director**	01-02-2023	2	2
5	Mrs. Vijaya Sampath, Independent Director **	01-02-2023	2	2
6	Mr. Tamraparni Srinivasan Venkata Rajagopal, Independent Director **	01-02-2023	2	2

* Resigned as Director from the Board w.e.f 1st February,2023.

**Appointed as Directors on the Board w.e.f 1st February,2023.

27. MEETING OF INDEPENDENT DIRECTORS:

In terms of requirements under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held on 7th March, 2023.

The Independent Directors at the meeting, inter alia, reviewed the following: -

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

28. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013, confirming compliance with the criteria of independence as stipulated thereunder.

All Independent Directors of the Company have affirmed compliance with the Schedule IV of the Act and Company's Code of Conduct for Directors and Employees for the FY 2022-23.

All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ('IICA') towards the inclusion of their names in the data bank maintained with

it and they meet the requirements of proficiency self-assessment test.

29. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non- Executive Directors have any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

30. PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Committees.

31. DIRECTORS' APPOINTMENT AND REMUNERATION POLICY

The Company on the recommendation of the Nomination & Remuneration Committee, framed and adopted a Nomination and Remuneration Policy in terms of the Section 178 of the Act with effect from 1st February, 2023. The policy, inter alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of directors, key managerial personnel and senior management personnel of the Company.

32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to details of conservation of energy, technology absorption, foreign exchange

earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies Accounts Rules, 2014 are as follows:

A) Conservation of energy:

I. Steps taken or impact on conservation of energy.

- **Reduction of Power Consumption cost on green power:**

The company have invested in Group captive wind power generating companies. During the year under review, captive wind power consumption constitutes about 47.32% of the total power consumption. (Green power) This has resulted in a cost saving of ₹1.18 crores for the company.

- **Compressor Energy Saving:**

VFD type air delivery-based Compressors were used. This has resulted in reduction of energy consumption cost from 20 to 25 %.

- **Reduction in Melting Cost & Increase the Productivity.**

Four new melting machines, Burners, were installed with a capacity of 4.0 Tonnes per Hour. The melting capacity has simply doubled but with the same machine size. This has contributed to low cost due to reduced LPG consumption.

II. Steps taken by the Company for utilizing alternate source of energy.

The Company during the year under review has utilized wind power & Thermal power from its group captive sources. New Generator 1010KVA purchased for using at the times of power failure.

III. Capital investment on energy conservation equipment's

Mahindra & Mahindra supply Cylinder Head Casting Heat treatment furnace rotary type was purchased. LPG burner used had resulted in cost saving of 20% as compared to another Furnace. The space occupied by the machine is also less.

B) Technology Absorption:

In our plant (Die casting) latest technology is being deployed in all Machines This has contributed for the for the increased productivity & less rejection.

The expenditure incurred on Research and Development.

The Company has not incurred any expenditure on Research and Development.

C) Foreign Exchange earnings and Outgo:

Details of earnings accrued and expenditure incurred in foreign currency are as given below.

Foreign Exchange Earnings	Nil
Foreign Exchange Outgo	USD 212.96 Lakhs

33. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in Section 134 (3) (c) of the Companies Act, 2013, shall state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

34. SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of Board of Directors (SS-1) and General Meeting

35. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

In the opinion of Board of Directors of the Company, Independent Directors on the Board of Company hold highest standards of integrity and are highly qualified, recognized and respected individuals in their respective fields. It's an optimum mix of expertise (including financial expertise), leadership and professionalism.

36. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The details as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

37. CAUTIONARY STATEMENT:

The Directors' Report may contain certain statements on the Company's intent expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company bears no obligations to update any such forward looking statement. Some of the factors that could affect the Company's performance could be the demand and supply for Company's product and services, changes in Government regulations, tax laws, forex volatility etc.

38. ACKNOWLEDGEMENTS:

The Directors take this opportunity to thank the Private Equity Investors, bankers and the financial institutions for their cooperation and support to the operations and look forward for their continued support in future. The Directors also thank all the customers, vendor partners, and other business associates for their continued support during the year. The Directors place on record their appreciation for the hard work put in by all employees of the Company.

For and on behalf of the Board of Directors

Coimbatore
22nd April, 2023

Srinivasan Ravi
Chairman and Managing Director
DIN:01257716

Kim Jong Seob
Joint Managing Director & CEO
DIN: 07382589

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. BREIF OUTLINE OF CSR POLICY

DR Axion India Private Limited (DR Axion) as a corporate citizen and enterprise believes that businesses are built around strong social background and inclusive growth and it is bounden duty of the business to support the society, though voluntarily, in helping to improve the quality of living. DR Axion aims to do its business in a responsible manner and develop a sustainable business model. As a matter of minimum requirement, DR Axion would do its business in accordance with the laws that apply from time to time and adhere to applicable rules, regulations, policies and procedures.

DR Axion believes that creation of large societal capital is as important as wealth creation for its stakeholders. In order to achieve the same, every business entity must carry on its business in a responsible manner. There are certain guiding principles formulated in India originally as 'National Voluntary Guidelines on **Social, Environmental and Economic** Responsibilities of Business (NVGs)' notified by the Ministry of Corporate Affairs which could be followed. DR Axion believes that these principles actually constitute the fundamentals of Corporate Social Responsibility [CSR] of every enterprise engaged in business.

CSR Activities

DR Axion may undertake CSR activities of the following nature and may any other CSR activities as may be approved by the CSR Committee from time to time as are falling under schedule VII of the Companies Act, 2013.

i. Promotion of Health care

DR Axion may undertake projects or programs or activities aimed at improving the health and hygiene of the socially or economically weaker sections , families Below Poverty Line (BPL) by providing free or subsidized medicine, clinical laboratory facilities, free or concessional treatments at hospitals, providing medical equipments, setting up of medical and diagnostic camps, free medicalAxion insurance for a group of people or families in the BPL

category, projects or programs aimed at eradicating poverty or malnutrition of women and children, pain and palliative care etc.

ii. Old Age homes /Day Care facilities for senior Citizens

DR Axion may undertake projects or programs or activities for the protection of elderly citizens by establishing, funding or otherwise supporting old age homes and day care facilities including medical Axion aid, food and accommodation.

iii. Promotion of Education

DR Axion may undertake projects or programs or activities aimed at the promotion of elementary to professional education and to support the students belonging to weaker sections of the society including SC/ST/OBCs by way of setting up schools, colleges, coaching centers, providing libraries, text books and other study materials, vocational training centers and centers for physically challenged students, providing endowments or other forms of recognitions to successful candidates pursuing recognized examinations, scholarships or other forms of merit cum means assistance etc.

iv. Sanitation

DR AXION may undertake construction of public toilets, toilets in government run schools and other places and promote sanitation in public places, rural areas including garbage clearing and disposal.

Apart from the above thrust areas, DR Axion may undertake the following CSR Activities too depending upon needs:

- i. Improving the livelihood, employability and income generation of the communities around our units of DR Axion
- ii. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of

- natural resources and maintaining quality of soil, air and water;
- iii. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- iv. Measures for the benefit of armed forces veterans, war widows and their dependents;
- v. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sport;
- vi. Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for Socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- vii. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- viii. Rural development projects.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation in Committee	Designation / Nature of Directorship	Number of meetings of CSR Committee held during 2022-23	Number of meetings of CSR Committee attended during 2022-23
1.	Kim Jong Seob#	Chairman#	Joint Managing Director & CEO	3	3
2.	Heejin Cho #	Member#	Director	3	3
3.	Srinivasan Ravi ^	Chairman ^	Chairman and Managing Director	3	NA
4.	Vijaya Sampath ^	Member^	Independent Director	3	NA
5.	Tamraparni Srinivasan Venkata Rajagopal ^	Member^	Independent Director	3	NA

Ceased to be a Chairman/member of the CSR committee w.e.f. 1st February, 2023.

^ Appointed as Chairman/member of the CSR committee w.e.f.1st February, 2023.

3	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	Not Applicable
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
5	(a) Average net profit of the company as per section 135(5)	₹15,07,94,197
	(b) Two percent of average net profit of the company as per section 135(5)	₹30,16,000
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
	(d) Amount required to be set off for the financial year, if any	NIL
	(e) Total CSR obligation for the financial year (b + c - d).	₹30,16,000
6	(a) Amount spent on CSR Projects:	
	(i) On going Project	NIL
	(ii) Other than On going Project	₹30,16,000
	(a) Amount spent in Administrative Overheads.	NIL
	(b) Amount spent on Impact Assessment, if applicable.	NIL
	(c) Total amount spent for the Financial Year [(a)+(b)+(c)].	₹30,16,000

(e) CSR amount spent or unspent for the financial year 2022-23:

Total Amount Spent for the		Amount Unspent (in ₹)			
Financial Year 2022-23	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).			
(₹)	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Nil	NIL	NA	Prime Minister's National Relief Fund	30,16,000	21 st April 2023

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹)
(i)	Two percent of average net profit of the company as per section 135(5)	30,16,000
(ii)	Total amount spent for the Financial Year	30,16,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹.)	Amount spent in the reporting Financial Year (in ₹.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹.)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
				Nil			Nil

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - No

If Yes, enter the number of Capital assets created / acquired: Nil

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

The CSR Committee of the Board of Directors acknowledges the responsibility for the implementation and monitoring the CSR Policy and accordingly state that the same is in compliance with CSR objectives and Policy of the Company and the Company has complied with all the requirements in this regard.

Coimbatore
22nd April, 2023

Srinivasan Ravi
Chairman of CSR Committee
DIN:01257716

FORM NO. MR-3

SECRETARIAL AUDIT REPORT**(For the Financial Year: 2022-23)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

DR AXION INDIA PRIVATE LIMITED

CIN: U50300TN2006PTC061870

(Subsidiary of Craftsman Automation Ltd)

No.7 Othappai Village Uthukkottai Taluk,

Thiruvallur, Tamil Nadu 602023.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DR AXION INDIA PRIVATE LIMITED** (hereinafter called "the Company"). The Secretarial Audit was conducted for the financial year ended on 31st March, 2023 in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the Financial year ended on 31st March, 2023, the company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder-Not applicable
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under-Not applicable
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowing;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 -**Not applicable**
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 -**Not applicable**
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; -Not applicable
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009-**Not applicable**
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -**Not applicable**

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008-**Not applicable**
- g) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client-**Not applicable**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-**Not applicable**
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-**Not applicable**

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India ("ICSI");

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I further report that, based on the information provided and representations made by the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with the provision of applicable general laws like labour laws and environmental laws.

I further also report that, compliance by the company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further also report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director and Independent Directors

Adequate notice were given to all directors to schedule the Board Meetings, and other committee meetings along with the agenda and detailed notes on agenda were sent at least seven days in advance, though the detailed notes on agenda were provided at a shorter notice and certain matters tabled at the Board Meeting with the consent of all Directors present at the relevant meeting. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case maybe.

I further report that during the period covered under the Audit, pursuant to the acquisition of 76% of equity shares by Craftsman Automation Limited, the Company has become the subsidiary of Craftsman Automation Limited as on 1st February, 2023.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Signature

Name of Company Secretary in practice

V. Sudarsan Babu

V. Sudarsan Babu & Associates

ACS No : 55465

C P No : 20590

UDIN : A055465E000171471

Place: Chennai

Date: 22nd April, 2023

Independent Auditor's Report

TO THE MEMBERS OF

M/s. DR AXION INDIA PRIVATE LIMITED

Regd. Office: No.7,Othappai Village,
Uthukottai Taluk, Thiruvallur, Tamilnadu- 602023
Report on the Financial Statements

OPINION

We have audited the accompanying Standalone Ind AS Financial Statements M/s. DR AXION INDIA PRIVATE LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the 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:

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2023;
- In the case of the Statement of Profit and Loss, of the Profit of the Company (including other comprehensive Income) for the year ended on that date; and
- In the case of the Cash Flow Statement, the cash flows for the year ended on that date.
- In the case of the Statement of Changes of Equity, the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report.

We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of Companies Act, 2013 and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

KEY AUDIT MATTERS

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

We have determined that there are no key audit matters to communicate in our report.

OTHER INFORMATION IN THE ANNUAL REPORT

The Company's Board of directors are responsible for the other information. The other information comprises the information included in the annual report other than the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Ind AS financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material

misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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 Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), cash flows, analytical ratios and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements 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 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 standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in term of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the

matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive Income), the 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 Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015.
- e) On the basis of written representations received from the directors of the Company as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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, as amended in our opinion and to the best of our

information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
- ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable loss.
- iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- v) The company has not declared any dividend during the year.

For **Sukumar & Associates**
Chartered Accountants
Firm Regn. No. 005610S

N. Sukumar, B.Sc., F.C.A.

Place: Chennai
Date: 22nd April, 2023

Partner
Msp. No. 022444

The “Annexure A”, referred to in paragraph 1 of the Our Report of even date to the members of M/s. DR AXION INDIA PRIVATE LIMITED on the accounts of the company for the year ended March 31, 2023.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) In respect of Fixed Assets: -
 - (a) The company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment and RoU.
 - (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - (c) Title deeds of immovable properties are held in the original name of the company “DR Enterprise Automotive Private Limited” as prevailing at the time of purchase. The company is in the process to change the land records to reflect the new name.
 - (d) The Company has not revalued its Property, Plant and Equipment during the year.
 - (e) There were no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- ii) With respect to the Inventory
 - (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
 - (b) During the year the company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets and the quarterly statements filed by the company with such banks are in agreement with the books of account of the Company.
- iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, LLP or other parties listed in the register maintained under Section 199 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii (b) and (c) of the order are not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the company has made investment in Kamachi Industries Ltd. and NSL Wind Power Company(Phoolwadi)Pvt Ltd for Rs. 50,57,050/- and such investment is within the limit as prescribed in section 186 of the Companies Act 2013 and there are no loans, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Hence not commented upon.
- v) According to the information and explanation given to us, the Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been so made and maintained. However, we have not made a detailed examination of the same.
- vii) Statutory dues
 - (a) According to the records of the company, undisputed statutory dues including provident fund, investor education and protection fund, employees’ state insurance, income-tax, custom duty, GST, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in few cases and there is no undisputed amounts statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (b) According to the records of the Company, there were no dues outstanding of income-tax, duty of custom, goods and service tax and cess,

- which have not been deposited on account of any dispute.
- viii) The Company has not surrendered or disclosed as income any transactions not recorded in the books of account during the year in the tax assessments under the Income Tax Act, 1961.
- ix) In respect of Loans
- (a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or government.
 - (b) In our opinion and according to the information and explanations given by the management, the Company has not been declared wilful defaulter by any financial institution, bank or government.
 - (c) The Company has applied term loan for the purpose for which the loans were obtained.
 - (d) The Company has not utilised short term funds for long term purposes.
 - (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
 - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- x) In respect of Allotment
- (a) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer or further public offer; hence reporting under clause (a) is not applicable to the Company and hence not commented upon.
 - (b) The Company has made preferential allotment through convertible preference shares into equity shares during the year.
- xi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company or has been noticed or reported during the year.
- xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.
- xiv) In respect of Internal Audit
- a) The company has an internal audit system commensurate with the size and nature of its business;
 - b) During the year the reports of the Internal auditor have been furnished and considered.
- xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Therefore, the provisions of clause 3(xvi) (a) to (d) of the order are not applicable to the Company and hence not commented upon.
- xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii) During the year there was no resignation of the statutory auditor.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is 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;

xx) In respect of Corporate Social Responsibility

a) The company has transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report.

Financial Year	Amount unspent on Corporate Social Responsibility activities "other than Ongoing Projects"	Amount Transferred to Fund specified in Schedule VII within 6 months from the end of the Financial Year	Date of Amount Transferred after the due date
2021-22	41,96,000	42,00,000	Not Applicable
2022-23	30,16,000	30,16,000	Not Applicable

b) The Company has no sum unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, and hence no sum has been transferred to a special account in compliance with provisions of sub-section (6) of sec135 of the said Act.

xxi) The Company does not have any subsidiary for consolidation. Therefore, the provisions of clause 3(xxii) are not applicable to the Company and hence not commented upon.

For **Sukumar & Associates**

Chartered Accountants
Firm Regn. No. 005610S

N. Sukumar, B.Sc., F.C.A.

Partner

Place: Chennai

Date: 22nd April, 2023

Msp. No. 022444

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DR AXION INDIA 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”)

To the Members of **DR AXION INDIA PRIVATE LIMITED**

We have audited the internal financial controls over financial reporting of DR AXION INDIA PRIVATE LIMITED (“the Company”) as of March 31, 2023, in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

OPINION

In our opinion, 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 operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

MANAGEMENT’S 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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 as specified 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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 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 authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

EXPLANATORY PARAGRAPH

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of DR AXION INDIA PRIVATE LIMITED, which comprise the Balance Sheet as at March 31, 2023, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated April 22, 2023 expressed unqualified opinion.

For **Sukumar & Associates**

Chartered Accountants

Firm Regn. No. 005610S

N. Sukumar, B.Sc., F.C.A.

Partner

Msp. No. 022444

Place: Chennai

Date: 22nd April, 2023

Balance Sheet

as at March 31 2023

(Amount in Lakhs)

Particulars	Notes	31-Mar-2023	31-Mar-2022	01-Apr-2021
ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	1A	30,602.37	27,750.29	27,510.61
(b) Right of Use Assets	1B	121.04	36.54	-
(c) Other Intangible assets	1C	1.52	1.97	2.42
(d) Capital Work-in-Progress	1D	1,497.80	2,663.42	28.75
(e) Financial Assets				
(i) Investments	2	50.57	46.07	44.05
(ii) Security Deposits	3	266.80	267.07	137.61
(f) Other Non-Current Assets	4	130.97	31.62	-
(g) Non-Current Tax Assets (Net)	5	20.85	808.15	576.72
		32,691.93	31,605.13	28,300.17
2 Current assets				
(a) Inventories	6	16,709.71	9,695.83	4,928.49
(b) Financial Assets				
(i) Trade receivables	7	16,536.66	10,831.87	8,065.12
(ii) Cash and cash equivalents	8	394.47	1,265.68	1,559.65
(iii) Other Bank Balances	9	5.00	3,386.00	8,537.00
(iv) Other Financial Assets	10	9.81	2.59	15.59
(c) Other Current Assets	11	457.81	130.44	85.59
		34,113.46	25,312.42	23,191.44
TOTAL ASSETS		66,805.39	56,917.55	51,491.60
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	12	11,284.95	11,284.95	11,284.95
(b) Other Equity	13	14,028.29	8,187.09	8,826.76
		25,313.24	19,472.04	20,111.71
1 Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Lease Liabilities	14	104.03	18.23	-
(b) Long Term Borrowings	15	12,807.38	13,843.30	12,288.98
(c) Deferred Tax Liabilities (Net)	16	1,823.66	1,727.36	937.57
		14,735.07	15,588.89	13,226.55
2 Current liabilities				
(a) Financial Liabilities				
(i) Short Term Borrowings	17	3,250.00	11,444.60	11,862.34
(ii) Trade payables	18			
Total outstanding dues of MSME		97.47	57.39	77.20
Total outstanding dues other than MSME		14,974.70	7,192.33	4,227.87
(iii) Lease Liabilities	19	11.39	17.05	-
(iv) Other Financial Liabilities	20	4,855.88	1,905.05	904.84
(b) Other current liabilities	21	3,323.91	1,042.77	823.05
(c) Provisions	22	243.74	197.42	258.03
		26,757.09	21,856.62	18,153.34
TOTAL EQUITY & LIABILITIES		66,805.39	56,917.55	51,491.60

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For Sukumar & Associates

Chartered Accountants

Firm Regn No: 005610 S

N.Sukumar, B.Sc., F.C.A.

Partner

MSP No.22444

Place:Chennai

Date : 22nd April, 2023

For and on behalf of the Board of Directors

DR Axion India Private Limited

S Ravi

Chariman & Managing Director

DIN : 01257716

Place:Coimbatore

Date : 22nd April, 2023

Shainshad Aduvanni

Company Secretary

M.No.A27895

Place:Coimbatore

Date : 22nd April, 2023

Kim Jong Seob

Joint Managing Director & CEO

DIN : 07382589

Place:Thiruvallur

Date : 22nd April, 2023

C. B. Chandrasekar

Chief Financial Officer

Place:Coimbatore

Date : 22nd April, 2023

Statement of Profit & Loss

for the period of 1st April 2022 to 31st March 2023

(Amount in Lakhs)

Particulars	Notes	31-Mar-2023	31-Mar-2022
I INCOME			
(i) Revenue from Operations	23	1,08,409.29	71,594.21
(ii) Other Income	24	193.64	292.15
Sub-Total - (A)		1,08,602.92	71,886.36
II EXPENDITURE			
(i) Cost of Material Consumed	25	73,439.52	52,701.07
(ii) Change in Inventories of Finished Goods & WIP	26	1,226.16	(3,231.16)
(iii) Employee Benefits Expense	27	2,945.08	2,719.38
(iv) Finance Cost	28	2,280.57	1,922.84
(v) Depreciation and Amortisation Expenses	29	3,788.94	3,438.29
(vi) Other Expenses	30	16,301.83	14,232.99
Sub-Total (B)		99,982.10	71,783.40
III Profit before tax [I-II]		8,620.82	102.95
IV Tax Expense			
(i) Current Tax Expense		2,692.64	34.60
(ii) Less: Mat Credit Entitlement		-	(20.70)
(iii) Prior Year Income Tax		(1.62)	-
(iv) Deferred Tax Expenses / (Income)		93.61	768.45
Sub-Total		2,784.63	782.35
V Profit (Loss) for the period (III - IV)		5,836.20	-679.40
VI Other Comprehensive Income			
- Remeasurement of the net defined benefit liability / asset		7.69	61.06
- Income tax effect of the net defined benefit liability / asset		(2.69)	(21.34)
Total Other Comprehensive Income		5.00	39.73
VII Total Comprehensive Income for the period (V+VI)		5,841.20	(639.67)
VIII Earnings Per Equity Share:			
Basic & Diluted		5.18	(0.59)

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For Sukumar & Associates

Chartered Accountants

Firm Regn No: 005610 S

N.Sukumar, B.Sc., F.C.A.

Partner

MSP No.22444

Place:Chennai

Date : 22nd April, 2023

For and on behalf of the Board of Directors

DR Axion India Private Limited

S Ravi

Chariman & Managing Director

DIN : 01257716

Place:Coimbatore

Date : 22nd April, 2023**Shainshad Aduvanni**

Company Secretary

M.No.A27895

Place:Coimbatore

Date : 22nd April, 2023**Kim Jong Seob**

Joint Managing Director & CEO

DIN : 07382589

Place:Thiruvallur

Date : 22nd April, 2023**C. B. Chandrasekar**

Chief Financial Officer

Place:Coimbatore

Date : 22nd April, 2023

Cash Flow Statement

for the period of 1st April 2022 to 31st March 2023

(Amount in Lakhs)

PARTICULARS	31-Mar-2023	31-Mar-2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	8,625.82	142.68
Adjustment For :		
Income tax expense	(2,784.63)	(782.35)
Depreciation and Amortisation expense	3,788.94	3,438.29
(Profit) / Loss on sale of assets (net)	-	268.59
Unrealised foreign exchange (gain) / loss	(48.70)	87.66
Finance cost	2,280.57	1,922.84
Interest income	(188.72)	(213.71)
	3,047.47	4,721.32
Operating profit before working capital changes	11,673.29	4,864.00
Adjustment for changes in:		
(Increase) / Decrease in trade receivables	(5,704.79)	(2,766.75)
(Increase) / Decrease in inventories	(7,013.88)	(4,767.35)
(Increase) / Decrease in non current and current loans and advances	353.63	(398.36)
Increase / (Decrease) in trade payables and other non current and current liabilities	13,279.54	5,018.34
Increase / (Decrease) in non current and current provisions	46.31	(60.61)
	960.82	(2,974.72)
Cash generated from operation	12,634.11	1,889.28
Less : Direct taxes paid (net of refunds)	-	-
Net cash from operating activities (A)	12,634.11	1,889.28
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of PPE and intangible assets	(5,559.46)	(6,617.32)
Proceeds on Sale of PPE and intangible assets	-	-
Purchases of Investments (shares)	(4.50)	(2.02)
Interest received	188.72	213.71
Net cash from / (used in) investing activities (B)	(5,375.24)	(6,405.63)

Cash Flow Statement (Contd.)

for the period of 1st April 2022 to 31st March 2023

(Amount in Lakhs)

PARTICULARS	31-Mar-2023	31-Mar-2022
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	(9,230.51)	994.22
Finance cost	(2,280.57)	(1,922.84)
Net cash flow from / (used in) financing activities (C)	(11,511.08)	(928.62)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(4,252.21)	(5,444.97)
Cash and cash equivalents at the beginning of the year	4,651.68	10,096.65
Cash and cash equivalents at the end of the year	399.47	4,651.68
CASH & CASH EQUIVALENTS		
(a) Cash on hand	0.00	0.08
(b) Balances with banks	394.47	1,265.60
(c) Other Bank Balances	5.00	3,386.00
	399.47	4,651.68

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For Sukumar & Associates

Chartered Accountants

Firm Regn No: 005610 S**N.Sukumar, B.Sc., F.C.A.**

Partner

MSP No.22444

Place:Chennai

Date : 22nd April, 2023

For and on behalf of the Board of Directors

DR Axion India Private Limited

S Ravi

Chariman & Managing Director

DIN : 01257716

Place:Coimbatore

Date : 22nd April, 2023**Shainshad Aduvanni**

Company Secretary

M.No.A27895

Place:Coimbatore

Date : 22nd April, 2023**Kim Jong Seob**

Joint Managing Director & CEO

DIN : 07382589

Place:Thiruvallur

Date : 22nd April, 2023**C. B. Chandrasekar**

Chief Financial Officer

Place:Coimbatore

Date : 22nd April, 2023

Statement of CHANGES IN EQUITY

for the period ended 31st March 2023

(Amount in Lakhs)

A. Equity Share capital

Particulars	
Balance as at 01 April 2021	10,846.37
Changes in equity share capital during the year	-
Balance as at 31 March 2022	10,846.37
Changes in equity share capital during the year	438.59
Balance as at 31 March 2023	11,284.95

B. Instruments entirely equity in nature

Particulars	
Balance as at 01 April 2021	438.59
Changes in compulsorily convertible preference shares during the year	-
Balance as at 31 March 2022	438.59
Changes in compulsorily convertible preference shares during the year	(438.59)
Balance as at 31 March 2023	-

C. Other Equity

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Items of OCI	
Balance as at 01 April 2021	5,086.56	3,765.80	(25.59)	8,826.76
Profit for the year	-	(679.40)	-	(679.40)
Other comprehensive income for the year	-	-	39.73	39.73
Balance as at 31 March 2022	5,086.56	3,086.40	14.13	8,187.09
Profit for the year	-	5,836.20	-	5,836.20
Other comprehensive income for the year	-	-	5.00	5.00
Balance as at 31 March 2023	5,086.56	8,922.59	19.13	14,028.29

As per our report of even date

For Sukumar & Associates

Chartered Accountants

Firm Regn No: 005610 S

N.Sukumar, B.Sc., F.C.A.

Partner

MSP No.22444

Place:Chennai

Date : 22nd April, 2023

For and on behalf of the Board of Directors

DR Axion India Private Limited

S Ravi

Chariman & Managing Director

DIN : 01257716

Place:Coimbatore

Date : 22nd April, 2023

Shainshad Aduvanni

Company Secretary

M.No.A27895

Place:Coimbatore

Date : 22nd April, 2023

Kim Jong Seob

Joint Managing Director & CEO

DIN : 07382589

Place:Thiruvallur

Date : 22nd April, 2023

C. B. Chandrasekar

Chief Financial Officer

Place:Coimbatore

Date : 22nd April, 2023

Notes Forming Part of Balance Sheet

DEPRECIATION AS PER SCH II OF COMPANIES ACT, 2013 FOR THE PERIOD ENDED 31st MARCH 2023 METHOD ADOPTED : SLM METHOD

PARTICULARS	TANGIBLE ASSETS										1D	Amount in Lacs		
	TANGIBLE ASSETS												1C	1D
	Freehold Land	Buildings	Plant & Equipments	Electrical Fittings	Com puters	Office Equipments & Fixtures	Furniture & Vehicles	Total	Buildings	Computer Software				
Note No	1A	1B	1C	1D	1E	1F	1G	1H	1I	1J	1K	1L		
As at April 1, 2021	317.51	8,816.82	38,093.33	1,965.95	51.99	344.08	90.63	61.78	49,742.10	-	5.61	28.75	49,776.46	
Additions	-	402.62	3,639.36	370.81	4.10	44.88	5.51	-	4,467.28	54.77	-	2,663.42	7,185.48	
Disposals	-	-	(1,135.35)	-	-	-	-	-	(1,135.35)	-	-	(28.75)	(1,164.10)	
Other adjustments*	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2022	317.51	9,219.44	40,597.34	2,336.76	56.10	388.96	96.14	61.78	53,074.03	54.77	5.61	2,663.42	55,797.84	
Additions	-	3.19	6,323.31	124.80	35.27	135.83	-	-	6,622.40	125.48	-	6,286.64	13,034.52	
Disposals	-	-	-	-	-	-	-	-	(54.77)	-	-	(7,452.27)	(7,507.04)	
Other Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at Mar 31, 2023	317.51	9,222.62	46,920.65	2,461.56	91.37	524.80	96.14	61.78	59,696.43	125.48	5.61	1,497.80	61,325.32	
As at April 1, 2021	-	1,471.22	19,280.74	1,064.30	45.64	289.73	53.06	26.80	22,231.49	-	3.19	-	22,234.68	
Charge for the Period	-	292.76	2,941.34	152.12	2.57	16.91	6.56	7.34	3,419.61	18.24	0.45	-	3,438.29	
Disposals	-	-	(327.35)	-	-	-	-	-	(327.35)	-	-	-	(327.35)	
Other Adjustment *	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2022	-	1,763.98	21,894.74	1,216.42	48.21	306.64	59.62	34.14	25,323.74	18.24	3.64	-	25,345.62	
Charge for the Period	-	295.53	3,279.09	154.41	3.53	24.93	5.49	7.34	3,770.31	18.18	0.45	-	3,788.94	
Disposals	-	-	-	-	-	-	-	-	(31.98)	-	-	-	(31.98)	
Other Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at Mar 31, 2023	-	2,059.51	25,173.82	1,370.83	51.73	331.56	65.12	41.48	29,094.05	4.44	4.09	-	29,102.58	
As at April 1, 2021	317.51	7,345.60	18,812.59	901.66	6.35	54.35	37.57	34.98	27,510.61	-	2.42	28.75	27,541.78	
As at March 31, 2022	317.51	7,455.46	18,702.60	1,120.34	7.89	82.32	36.52	27.64	27,750.29	36.54	1.97	2,663.42	30,452.22	
As at Mar 31, 2023	317.51	7,163.11	21,746.82	1,090.74	39.63	193.23	31.02	20.31	30,602.37	121.04	1.52	1,497.80	32,222.74	

DEPRECIATION & AMORTISATION & IMPAIRMENT

NET CARRYING VALUE

Notes Forming Part of Balance Sheet

for the year ended 31st March 2023

(Amount in Lakhs)

PARTICULARS	Notes	31-Mar-2023	31-Mar-2022	01-Apr-2021
INVESTMENTS	2			
Investment in Equity Instruments				
(i) Kamachi Industries Ltd (298800 Equity Shares of Rs.10 each fully paid-up)		29.88	29.88	29.88
(ii) NSL Wind Power Company(Phoolwadi)Pvt Ltd (2,06,905 (1,61,905) Equity Shares of ₹10 each fully paid-up)		20.69	16.19	14.17
		50.57	46.07	44.05
These investments are Equity shares acquires for limited purpose captive power consumption. These are to be sold back to the issuing company and at same value of investment. Hence not subject to Fair value, reported at cost of acquisition				
SECURITY DEPOSITS	3			
Security Deposits		266.80	267.07	137.61
		266.80	267.07	137.61
OTHER NON-CURRENT ASSETS	4			
Capital advances		130.97	31.62	-
Total		130.97	31.62	-
NON-CURRENT TAX ASSETS (NET)	5			
(a) Advance income-tax (net of provision for tax)		20.85	808.15	576.72
Total		20.85	808.15	576.72
INVENTORIES	6			
(a) Inventories can be classified as:-				
(i) Raw materials and components		7,410.87	1,875.00	1,273.43
(ii) Work-in-progress		2,995.93	3,136.38	1,293.99
(iii) Finished goods		805.95	1,891.65	502.89
(iv) Stock-in-trade		3,146.48	285.54	274.31
(v) Consumables		1,897.11	2,007.17	1,532.68
(b) Goods in Transit		453.37	500.08	51.20
Total		16,709.71	9,695.83	4,928.49
TRADE RECEIVABLES	7			
(i) Undisputed Trade receivables - Considered good		16,536.66	10,831.87	8,065.12
(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		16,536.66	10,831.87	8,065.12

Notes Forming Part of Balance Sheet

for the year ended 31st March 2023

(Amount in Lakhs)

PARTICULARS	Notes	31-Mar-2023	31-Mar-2022	01-Apr-2021
CASH & CASH EQUIVALENTS	8			
(a) Balance with Banks				
(i) In current accounts		394.47	1,265.60	1,559.64
(b) Cash on hand		0.00	0.08	0.01
Total		394.47	1,265.68	1,559.65
OTHER BANK BALANCES	9			
In deposit accounts		5.00	3,386.00	8,537.00
Total		5.00	3,386.00	8,537.00
OTHER FINANCIAL ASSETS	10			
(a) Interest accrued on deposits		9.81	2.59	15.59
Total		9.81	2.59	15.59
OTHER CURRENT ASSETS	11			
(a) Advance to Suppliers (Other than Capital Goods)		10.55	0.41	34.72
(b) Balance with government authorities				
(i) Custom Duty Advance		83.12	91.32	15.28
(ii) GST Receivable		-	-	-
(c) Advance income-tax (net of provision for tax)		347.07	-	-
(d) Other Assets				
(i) Prepaid Expense		17.07	23.11	19.52
(ii) Loan to employees		-	15.61	16.06
Total		457.81	130.44	85.59
EQUITY SHARE CAPITAL	12			
Authorised, Issued, subscribed and paid up capital				
(a) Authorised Capital		13,300.00	13,300.00	13,300.00
13,30,00,000 equity share of INR 10 each		-	-	-
		-	-	-
(b) Issued, Subscribed and Fully paid up capital		11,284.95	10,846.37	10,846.37
11,28,49,515 equity shares of INR 10 each fully paid up				
(A) Reconciliation of the number of shares outstanding				
(a) Opening balance		10,84,63,659	10,84,63,659	10,84,63,659
(b) Issued during the period		43,85,856	-	-
(c) Cancelled during the period			-	-
(d) Closing balance		11,28,49,515	10,84,63,659	10,84,63,659
There is change in the Shareholding Pattern during the reporting period.				
(B) Details of shares held by the holding company				
M/s. Craftsman Automation Limited., India		8,57,65,631	-	-
M/s. Daerim International Co. Ltd., South Korea		-	10,84,63,649	10,84,63,649
(C) Shareholders' holding more than 5 percent equity shares				
M/s. Craftsman Automation Limited., India		8,57,65,631	-	-
M/s. Daerim International Co. Ltd., South Korea		2,70,83,884	10,84,63,649	10,84,63,649
(D) Details of shares held by the Promoters				

Notes Forming Part of Balance Sheet

for the year ended 31st March 2023

(Amount in Lakhs)

PARTICULARS	Notes	31-Mar-2023	31-Mar-2022	01-Apr-2021
M/s. Craftsman Automation Limited., India		8,57,65,631	-	-
M/s. Daerim International Co. Ltd., South Korea		-	10,84,63,649	10,84,63,649
Instruments entirely equity in nature				
Convertible preference share capital classified as equity				
Authorised, Issued, subscribed and paid up capital				
(a) Authorised Capital		450.00	450.00	450.00
4,50,000 Preference shares of INR 10 each fully paid up				
(b) Issued, Subscribed and Fully paid up capital		-	438.59	438.59
43,85,856 Preference shares of INR 10 each fully paid up				
Shareholders' holding more than 5 percent equity shares				
(a) The Export - Import Bank of Korea		-	43,85,856	43,85,856
The preference shares are duly converted into equity shares in during the year				
OTHER EQUITY	13			
A. SUMMARY OF OTHER EQUITY BALANCE				
(A) Other than retained earnings				
(a) Share Premium		5,086.56	5,086.56	5,086.56
(b) Other Comprehensive Income		19.13	14.13	-25.59
(c) Closing balance		5,105.69	5,100.69	5,060.97
(B) Retained Earnings				
(a) Opening balance		3,086.40	3,765.80	3,765.80
(b) Additions during the period		5,836.20	(679.40)	-
(c) Utilisation during the period				
(i) Equity dividend		-	-	-
(ii) Tax on Equity dividend		-	-	-
(d) Closing balance		8,922.59	3,086.40	3,765.80
Total		14,028	8,187	8,827
LEASE LIABILITIES	14			
(a) Lease Liabilities		104.03	18.23	-
Total		104.03	18.23	-
LONG TERM BORROWINGS	15			
(A) Secured Loan				
(a) Term loans				
(i) From HDFC Bank		5,845.42	7,290.51	5,608.02
(ii) From Axis Bank		4,566.13	4,406.95	-
(iii) From Federal Bank		-	-	3,742.07
(B) Unsecured Loan				
(a) Term loans				
(i) GECL Loan From Federal Bank		-	-	980.56
(ii) GECL Loan From HDFC Bank		2,395.83	2,145.83	1,958.33
Total		12,807.38	13,843.30	12,288.98

Notes Forming Part of Balance Sheet

for the year ended 31st March 2023

(Amount in Lakhs)

Secured Term Loan of Rs 75 crores from HDFC Bank is repayable in 84 months (residual take over) initial tenor was 96 months, Start date will be 17 september 2020 and end date will be 17th september 2026 with 24 equal quarterly repayment and in the respect of security; Second pari passu charge on the current assets of the company with the Axis bank, Movable fixed assets & Plant and machinery- Secured by first charge on pari passu basis on entire fixed assets of the company (present and future) along with the Axis bank and Immovable fixed asset of company.

Secured Term Loan of Rs 42 crores sanctioned (Utilised Rs 41.77 crores) from HDFC Bank (taken over of loan of Federal Bank) and which is repayable in 20 equal quarterly repayment, Start date will be 17 september 2021 and end date will be 17th september 2025 (in Mar 23 pre repayment of Rs 15 crores was done) and in the respect of security; Second pari passu charge on the current assets of the company with the Axis bank, Movable fixed assets & Plant and machinery- Secured by first charge on pari passu basis on entire fixed assets of the company (present and future) along with the Axis bank and Immovable fixed asset of company.

Secured Term Loan of 18.69 crores from HDFC Bank and which is repayable in 16 equal quarterly repayment, Start date will be 25 Jan 2025 and end date will be 23rd October 2028 and in the respect of security; Second pari passu charge on the current assets of the company with the Axis bank, Movable fixed assets & Plant and machinery- Secured by first charge on pari passu basis on entire fixed assets of the company (present and future) along with the Axis bank and Immovable fixed asset of company.

Secured Term Loan of 2.65 crores from HDFC Bank and which is repayable in 16 equal quarterly repayment, Start date will be 25 Jan 2025 and end date will be 23rd October 2028 and in the respect of security; Second pari passu charge on the current assets of the company with the Axis bank, Movable fixed assets & Plant and machinery- Secured by first charge on pari passu basis on entire fixed assets of the company (present and

future) along with the Axis bank and Immovable fixed asset of company.

Secured Term Loan of Rs.50 Crores (Rs.44.29 Crores availed during FY 2021-22 and balance of Rs.5.71 crores availed on 05-May-2022) availed from AXIS Bank and which is repayable with 24 equal quarterly repayment starting from 30th Nov 2024 and end date will be 31st Aug 2029 and in the respect of security; First pari passu charge on entire Movable fixed assets and immovable fixed assets (Existing and future) and second pari passu on the the current assets of the company with the HDFC bank.

Secured Term Loan of Rs 50 crores from Federal Bank and which is repayable in 24 equal quarterly instalments of Rs.2.08 crore starting from Dec-2020 (on 02-Dec-2021 this was taken over by HDFC Bank) and in the respect of security First pari passu charge on entire movable and immovable fixed assets (existing and future) of the company and second pari passu charge on the current asset of the company with HDFC Bank.

Unsecured GECL (Guaranteed Emergency Credit Line) Loan from Federal Bank is repayable in 46 equal quarterly instalments of Rs.10 crore starting from Mar-2022 (The company has made Prepayment of Loan on 02-Dec-2021.) and the guarantee is give by National Credit Guarantee company limited, India carrying interest rate of 7.25% Per annum.

Unsecured GECL (Guaranteed Emergency Credit Line) Loan from HDFC Bank is repayable in 48 equal quarterly instalments of Rs.20 crore starting from Mar-2022 and the guarantee is give by National Credit Guarantee company limited, India carrying interest rate of 6.70% Per annum.

Unsecured GECL (Guaranteed Emergency Credit Line) Loan from HDFC Bank is repayable in 48 equal quarterly instalments of Rs.10 crore starting from Jan-2022 and the guarantee is give by National Credit Guarantee company limited, India carrying interest rate of 6.70% Per annum.

Notes Forming Part of Balance Sheet

for the year ended 31st March 2023

(Amount in Lakhs)

PARTICULARS	Notes	31-Mar-2023	31-Mar-2022	01-Apr-2021
DEFERRED TAX ASSETS/LIABILITIES (NET)	16			
Tax effect of items constituting deferred tax liability				
(a) On difference between book balance and tax balance of fixed assets		1,823.19	1,720.40	981.41
(b) Other Items		9.51	17.64	-
Sub-Total (A)		1,832.71	1,738.05	981.41
Tax effect of items constituting deferred tax assets				
(a) Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis				
(i) On Provision for Gratuity		3.33	-	23.92
(ii) On Provision for Leave Encashment		3.32	3.21	16.20
(b) Other Items		2.40	7.48	3.71
Sub-Total (B)		9.05	10.68	43.83
Total (A)-(B)		1,823.66	1,727.36	937.57
SHORT TERM BORROWINGS	17			
(A) Secured				
(a) Loans Repayable on demand				
(i) WCDL From HDFC Bank		-	3,127.66	3,226.45
Sub-Total		-	3,127.66	3,226.45
(B) Unsecured				
(a) Loans Repayable on demand				
(i) WCDL From Woori Bank		-	420.00	420.00
(ii) Buyers Credit Loan From Woori Bank		-	545.78	585.20
(iii) Buyers Credit Loan From KEB Hana Bank		-	879.31	1,975.05
Sub-Total		-	1,845.09	2,980.25
(C) Current maturities of Long-term Debt				
(A) Secured				
(a) Term loans				
(i) From HDFC Bank		2,083.33	2,083.33	1,250.00
(ii) From Federal Bank		-	-	833.33
(iii) From Axis Bank		416.67	-	-
Sub-Total		2,500.00	2,083.33	2,083.33
(B) Unsecured				
(a) Term loans				
(i) GECL Loan From HDFC Bank		750.00	750.00	41.67
(ii) GECL Loan From Federal Bank		-	-	19.44
(iii) ECB Loan From Korea Development Bank		-	3,638.52	3,511.20
Sub-Total		750.00	4,388.52	3,572.31
Total		3,250	11,445	11,862

Secured Loan Consist of Working capital Demand loan of Rs.35 crores taken from HDFC bank, carrying interest at 9.25% ,the loan tenor is 120days .The Loan is Secured by Paripassu Charge over the current asset , Plant and Machinery & Land and Building of the company.

Unsecured Loan Consist of working capital demand loan of Rs.53.10 Million from Woori Bank ,Chennai is repayable on 24th July 2021 and Guarantee is given by M/s. Daerim International Co. Ltd., South Korea, for \$ 0.9 million as Unconditional and Irrevocable Standby letter of Credit, Carrying interest Rate of 1.3%p.a over Woori Banks MCLR, Current Year MCLR rate is 8.84%p.a.

Notes Forming Part of Balance Sheet

for the year ended 31st March 2023

(Amount in Lakhs)

PARTICULARS	Notes	31-Mar-2023	31-Mar-2022	01-Apr-2021
Unsecured loan consists of buyers credit loan from Woori Bank, London Branch having limit of USD 0.8 Million is repayable within 1 year from the date of utilisation. Interest rate is LIBOR+1.5% per annum.				
Unsecured loan consists of buyers credit loan from KEB Hana Bank, Bahrain Branch having limit of 2.7 Million is repayable within 1 year from the date of utilisation. Interest rate is 6M LIBOR+1.70% per annum.				
Unsecured Loan from Korea Development Bank is repayable at the end of 10 th year (Dec 2022) from the date of Drawdown and the guarantee is give by M/s. DR Axion Co., Ltd., carrying interest rate of Libor + 3.45% Per annum.				
TRADE PAYABLES	18			
(i) Outstanding Dues for Trade Payables				
a) From MSME		97.47	57.39	77.20
b) From Others		14,974.70	7,192.33	4,227.87
(c) Disputed dues -MSME		-	-	-
(d) Disputed dues -Others		-	-	-
Total		14,974.70	7,192.33	4,227.87
LEASE LIABILITIES	19			
(a) Lease Liabilities		11.39	17.05	-
Total		11.39	17.05	-
OTHER FINANCIAL LIABILITY	20			
(a) Interest Accured on Loan		125.77	125.72	122.16
(b) Creditors for capital goods and services		3,182.07	842.34	11.48
(c) Due to directors		3.07	5.95	4.02
(d) Employee related liabilities		210.46	129.77	112.15
(e) Others		1,334.51	801.26	655.03
Total		4,855.88	1,905.05	904.84
OTHER CURRENT LIABILITIES	21			
(a) Statutory payables				
(i) TDS Payable		63.04	108.98	85.85
(ii) TCS Payable		-	-	14.36
(iii) PF Payable		21.78	22.55	19.60
(iv) ESI Payable		1.14	-	-
(v) GST Payable		271.08	31.74	699.73
(vi) Professional Tax Payable		4.34	4.14	3.52
(b) Advance from customers		2,962.55	875.35	-
Total		3,323.91	1,042.77	823.05
PROVISIONS	22			
(a) Provision for employee benefits				
(i) Provision for bonus		59.88	56.96	44.51
(ii) Provision for leave encashment		9.50	9.18	11.14
(iii) Provision for gratuity		9.52	20.99	82.15
(b) Others				
(ii) Provision for CSR Expenditure		98.46	110.30	120.24
(iii) Provision for Rejection		66.38	-	-
Total		243.74	197.42	258.03

Notes Forming Part of Profit & Loss

for the year ended 31st March 2023

(Amount in Lakhs)

Particulars	Notes	31-Mar-2023	31-Mar-2022
REVENUE FROM OPERATIONS	23		
Sale of products;			
Domestic Sales		1,03,843.12	68,052.82
		1,03,843.12	68,052.82
Other operating revenues;			
Sale of swarf & others		4,566.17	3,541.39
		4,566.17	3,541.39
Revenue from operations		1,08,409.29	71,594.21
OTHER INCOME	24		
Interest Income from deposits measured at amortised cost		188.72	213.71
Exchange rate Gain/(Loss) on Transaction & Translation		-	77.63
Others		3.55	0.81
	Total	193.64	292.15
COST OF MATERIALS CONSUMED	25		
Inventory at the beginning of the year		4,667.80	3,080.42
Add:			
Cost of goods sold		80,972.28	53,788.75
Carriage inward		199.19	150.99
Sub Contract Charges		508.09	348.71
Sub total		81,679.56	54,288.45
Less: Inventory at the end of the year		12,907.84	4,667.80
	Total	73,439.52	52,701.07
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS	26		
Inventory at the end of the year			
Work in Progress		2,995.93	3,136.38
Finished Goods		805.95	1,891.65
Sub total		3,801.88	5,028.03
Inventory at the beginning of the year		-	-
Work in Progress		3,136.38	1,293.99
Finished Goods		1,891.65	502.89
Sub total		5,028.03	1,796.87
(Increase) / decrease in inventory		1,226.16	(3,231.16)
EMPLOYEE BENEFITS EXPENSE	27		
Salaries and wages		2,086.19	1,983.06
Contributions to PF & ESI		134.60	130.97
Contribution to Gratuity fund		17.20	21.44
Managerial Remuneration		84.87	86.92
Staff welfare expenses		622.21	496.98
	Total	2,945.08	2,719.38

Notes Forming Part of Profit & Loss

for the year ended 31st March 2023

(Amount in Lakhs)

Particulars	Notes	31-Mar-2023	31-Mar-2022
FINANCE COSTS	28		
Interest expenses			
On Short Term Borrowings		317.23	354.63
On Long Term Borrowings at Amortised Cost		1,528.14	1,253.14
Others		13.35	14.63
Other Borrowing costs			
Unwinding of discounted Upfront fee on loans		9.24	15.47
Interest unwind - lease liability		3.46	2.95
Bank charges		20.25	82.29
Net (gain)/loss on foreign currency transactions and translation		388.89	199.74
Total		2,280.57	1,922.84
DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE	29		
Depreciation on Property, Plant & Equipment		3,770.76	3,420.05
Amortization- Right-of-use Asset		18.18	18.24
Total		3,788.94	3,438.29
OTHER EXPENSES	30		
Manufacturing Expenses			
Stores, Spares & tool consumed		31.32	29.97
Power & Fuel		7,589.19	6,513.89
Repairs & Maintenance			
- Machinery		1,496.53	1,607.95
- Building		314.14	248.88
- Others		20.09	11.01
Payment to contractors		2,380.57	2,066.01
Other manufacturing expenses		136.90	102.06
A.		11,968.74	10,579.78
Administrative Expenses			
Professional and Consultancy charges		64.05	59.08
Insurance Charges		35.73	33.57
Rates & Taxes		111.89	111.59
General Administrative Expenses		50.97	70.99
Printing & Stationary		10.31	4.20
Postage & Telegrams		1.69	0.68
Rent		6.00	6.24
Security Charges		43.12	36.87
Telephone Expenses		6.24	5.19
Travelling Expenses		308.95	270.02
Royalty Charges		2,756.96	2,117.97
Directors' Sitting Fees		1.40	-
Remuneration to auditors			

Notes Forming Part of Profit & Loss

for the year ended 31st March 2023

(Amount in Lakhs)

Particulars	Notes	31-Mar-2023	31-Mar-2022
Statutory Audit		6.00	4.05
Taxation and Certification		1.47	1.90
CSR Expenses		30.16	47.56
Exchange rate Gain/(Loss) on Transaction & Translation		69.40	-
Net loss on sale of assets		-	268.59
Provisions for Rejections		66.38	-
	B.	3,570.71	3,038.51
Selling expenses			
Packing material consumed		353.08	185.29
Carriage Outward		399.16	416.96
Sales Promotion Expenses		10.14	12.45
	C.	762.38	614.70
Total (A+B+C)		16,301.83	14,232.99

Trade Payable Ageing Schedule: Note 18

for the year ended 31st March 2023

(Amount in Lakhs)

Particulars	Non Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	61.00	36.47	-	-	-	97.47
(ii) Others	13,411.15	1,533.67	-	29.88	-	14,974.70
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	13,472.15	1,570.14	-	29.88	-	15,072.17
For the Period Ending 31-Mar-2022						
Particulars	Non Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	38.54	18.85	-	-	-	57.39
(ii) Others	6,373.26	789.19	29.88	-	-	7,192.33
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	6,411.80	808.04	29.88	-	-	7,249.72
For the Period Ending 31-Mar-2021						
Particulars	Non Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	54.54	22.66	-	-	-	77.20
(ii) Others	4,025.52	202.35	-	-	-	4,227.87
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	4,080.05	225.01	-	-	-	4,305.06

Trade Receivable Ageing Schedule: Note 7

for the year ended 31st March 2023

(Amount in Lakhs)

Particulars	Non Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	13,330.37	3,206.28	-	-	-	-	16,536.66
(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	13,330.37	3,206.28	-	-	-	-	16,536.66

For the Period Ending 31-Mar-2022

Particulars	Non Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	8,965.03	1,866.50	-	0.34	-	-	10,831.87
(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	8,965.03	1,866.50	-	0.34	-	-	10,831.87

For the Period Ending 31-Mar-2021

Particulars	Non Due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - Considered good	6,936.44	1,123.18	2.62	1.36	1.52	-	8,065.12
(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	6,936.44	1,123.18	2.62	1.36	1.52	-	8,065.12

First- time adoption of Ind AS

The following reconciliations provide a quantification of the effect of significant differences arising from transition of Previous GAAP to Ind AS in accordance with Ind AS 101:

- Balance Sheet as at 31 March 2022 and 01 April 2021
- total comprehensive income for the year ended 31 March 2022
- equity as at 31 March 2022 and 01 April 2021

(i) Reconciliation of Balance Sheet as at 01 April 2021 and 31 March 2022 (Amount in Lakhs)

Particulars	31 March 2022 (Last period presented under previous GAAP)			01 April 2021 (Date of transition to Ind AS)				
	Previous GAAP	Effect of transition to Ind AS		Previous GAAP	Effect of transition to Ind AS			
		Reclassifi- cation	Remeas- urement		Reclassifi- cation	Remeas- urement		
ASSETS								
1 Non-current assets								
Property, plant and equipment	27,750.29	-	-	27,750.29	27,510.61	-	-	27,510.61
Right-of-use assets	-	-	36.54	36.54	-	-	-	-
Capital work-in-progress	2,663.42	-	-	2,663.42	28.75	-	-	28.75
Intangible assets	1.97	-	-	1.97	2.42	-	-	2.42
Financial assets				-	-			-
(i) Investments	-	46.07	-	46.07	-	44.05	-	44.05
(ii) Security Deposits	-	267.07	-	267.07	-	137.61	-	137.61
(iii) Other financial assets	-	-	-	-	-	-	-	-
Non-Current Investment	46.07	(46.07)	-	-	44.05	(44.05)	-	-
(f) Other Non-Current Assets		31.62	-	31.62	-	-	-	-
(g) Non-Current Tax Assets (Net)		808.15	-	808.15		576.72	-	576.72
Long-term Loans and Advances	256.62	(256.62)	-	-	125.17	(125.17)	-	-
Total non-current assets	30,718.37	850.22	36.54	31,605.13	27,711.01	589.16	-	28,300.16
2 Current assets								
Inventories	9,736.70	-	(40.87)	9,695.83	4,932.43	-	(3.94)	4,928.49
Financial assets								
(ii) Trade receivables	10,832.36	(0.49)	-	10,831.87	8,065.12	-	-	8,065.12
(iii) Cash and cash equivalents	5,022.02	(3,756.34)	-	1,265.68	10,368.20	(8,808.55)	-	1,559.65
(iv) Loans	-	-	-	-	-	-	-	-
(iv) Other financial asset	-	-	-	-	-	-	-	-
Other Bank Balances		3,386.00	-	3,386.00		8,537.00	-	8,537.00
Short-term Loans and Advances	1,566.15	(1,566.15)	-	(0.00)	1,277.56	(1,277.56)	-	-
Other Financial Assets		2.59	-	2.59		15.59	-	15.59
Current tax assets (net)	-	-	-	-	-	-	-	-
Other current assets	3.29	127.15	-	130.44	29.74	55.85	-	85.59
Total current assets	27,160.52	(1,807.24)	(40.87)	25,312.42	24,673.05	(1,477.67)	(3.94)	23,191.44
TOTAL ASSETS	57,878.90	(957.01)	(4.33)	56,917.55	52,384.05	(888.51)	(3.94)	51,491.60

(i) Reconciliation of Balance Sheet as at 01 April 2021 and 31 March 2022 (Contd..)

(Amount in Lakhs)

Particulars	31 March 2022 (Last period presented under previous GAAP)			01 April 2021 (Date of transition to Ind AS)				
	Previous GAAP	Effect of transition to Ind AS		Ind AS	Previous GAAP	Effect of transition to Ind AS		Ind AS
		Reclassifi- cation	Remeas- urement			Reclassifi- cation	Remeas- urement	
EQUITY AND LIABILITIES								
Equity								
Equity share capital	11,284.95	-	-	11,284.95	11,284.95	-	-	11,284.95
Instruments entirely equity in nature	-	-	-	-	-	-	-	-
Other equity	8,849.41	-	(662.32)	8,187.09	8,805.79	-	20.97	8,826.76
TOTAL EQUITY	20,134.36	-	(662.32)	19,472.04	20,090.74	-	20.97	20,111.71
1 Non-current liabilities								
Financial liabilities								
(i) Borrowings	13,876.74	-	(33.44)	13,843.30	12,313.89	-	(24.91)	12,288.98
(ii) Lease Liabilities	-	-	18.23	18.23	-	-	-	-
Provision	2.89	(5.33)	2.44	-	60.61	(60.61)	-	-
Deferred Tax Liabilities (Net)	1,073.66	-	653.70	1,727.36	937.57	-	-	937.57
Total non-current liabilities	14,953.29	(5.33)	640.93	15,588.89	13,312.08	(60.61)	(24.91)	13,226.55
2 Current liabilities								
Financial liabilities								
(i) Borrowings	11,816.94	(372.34)	-	11,444.60	12,135.89	(273.55)	-	11,862.34
(ii) Lease Liabilities	-	-	17.05	17.05	-	-	-	-
(iii) Trade payables	7,042.37	207.35	-	7,249.72	4,221.72	83.35	-	4,305.06
(ii) Other financial liabilities	-	1,905.05	-	1,905.05	-	904.84	-	904.84
Other current liabilities	3,759.76	(2,716.99)	-	1,042.77	2,008.67	(1,185.62)	-	823.05
Provisions	172.17	25.25	-	197.42	614.95	(356.92)	-	258.03
Total current liabilities	22,791.24	(951.68)	17.05	21,856.62	18,981.23	(827.89)	-	18,153.34
TOTAL EQUITY AND LIABILITIES	57,878.90	(957.01)	(4.33)	56,917.55	52,384.05	(888.51)	(3.94)	51,491.60

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2022

Particulars	31 March 2022 (Last period presented under previous GAAP)		
	IGAAP	Effect of transition to Ind AS	Ind AS
INCOME			
Revenue from operations	71,594.21	-	71,594.21
Other income	330.56	1.10	331.66
TOTAL INCOME	71,924.77	1.10	71,925.87
EXPENSES			
Cost of Materials Consumed	53,775.27	36.93	53,812.19
Changes in Inventories of Finished Goods, Work-in-Progress, Traded Goods and Scrap	(3,231.16)	-	(3,231.16)
Employee benefits expense	2,115.53	61.06	2,176.60
Finance costs	1,926.63	(5.58)	1,921.05
Depreciation & Amortisation	3,420.05	18.24	3,438.29
Other expenses	13,724.85	(18.90)	13,705.95
TOTAL EXPENSES	71,731.17	91.75	71,822.92
Profit before tax	193.60	(90.65)	102.95
Tax expense:			
- Current tax	13.90	-	13.90
- Deferred tax	136.09	632.37	768.45
Sub Total	149.99	632.37	782.35
Profit for the year	43.62	(723.01)	(679.40)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plan	-	61.06	61.06
- Income tax effect on remeasurement of defined employee benefit plans	-	(21.34)	(21.34)
Total other comprehensive income	-	39.73	39.73
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	43.62	(683.29)	(639.67)

(iii) Reconciliation of total equity as at 31 March 2022 and 01 April 2021

Particulars	31 March 2022	01 April 2021
	(Last period presented under previous GAAP)	(Date of Transition)
Total equity (shareholders' fund) under previous GAAP	20,134.36	20,090.74
Ind AS Adjustments:		
Adjustment in Loan Processing Fees	55.25	31.25
Leases		
Lease related adjustments	18.90	-
Interest on lease liability	(2.95)	-
Amortization of RoU	(18.24)	-
Fair valuation of security deposits		
Unwinding of discount - rental deposits	-	-
Amortization of RoU/prepaid asset	-	-
Recognition of interest Income on security deposit	1.10	-
Amortization of upfront fees	(21.81)	(6.34)
Gratuity Expenses	(61.06)	-
Stock Adjustment	(40.87)	(3.94)
Deferred taxes on Ind AS adjustment	39.73	-
OCI	(632.37)	-
Total adjustment to equity	(662.32)	20.97
Total equity under Ind AS	19,472.04	20,111.71

Significant Accounting Policies & Notes to Financial Statements

A CORPORATE INFORMATION

M/s.DR Axion India Private Limited ('the Company') (CIN: U50300TN2006PTC061870) was incorporated under the Companies Act 1956 on December 27, 2006, having its registered office at No.7, Othappai Village, Uthukottai Taluk, Thiruvallur, Tamilnadu - 602023. The Company is a subsidiary of M/s. Craftsman Automation Limited, India which holds (76%) of the share capital of the Company. The company has been incorporated to engage in manufacture of cylinder head products, engines and caters primarily to automotive system and component manufacturing industries.

B SIGNIFICANT ACCOUNTING POLICIES STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Section 133 of the Companies Act, 2013 (Act) read with the Companies (Indian Accounting Standards) Rules 2015. The presentation of the Financial Statements is based on Schedule III of the Companies Act, 2013.

B1 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

Functional currency is the currency of the primary economic environment in which the entity operates. Presentation currency is the currency in which the financial statements are presented. The financial statements are presented in Indian Rupees which is the functional currency and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated.

These financial statements have been prepared on a historical cost basis, except for the following material items in the balance sheet:

- a) Certain financial assets and liability measured at fair value
- b) Employees Defined benefit plans are recognised at the net total of the fair value of plan assets, and the present value of the defined benefit obligation as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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.

The Financial Statements have been prepared on accrual and going concern basis. All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

B2 CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant Ind AS accounting policies provided below:

i. Useful life of Property, Plant and Equipment and Intangibles

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management. In case of intangibles the useful life is determined based on the period over which future economic benefit will flow to the Company.

ii. Income Taxes

The calculation of income taxes requires judgement in interpreting tax rules and regulations. Management judgement is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognised.

iii. Fair Value

Certain financial instruments, such as derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the Statement of Profit and Loss. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

iv. Measurement of defined benefit obligations

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions.

v. Measurement and likelihood of occurrence of provisions and contingencies

The provision for rejection have been done based on past experiences, product lifecycle maturity, reprocessing/repair cost.

vi. Recognition of deferred tax asset

The Company estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment.

vii. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement

in assessing the lease term (including anticipated renewals) and the applicable discount rate. Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate.

B3 PROPERTY PLANT AND EQUIPMENT

Recognition and Measurement

All Property Plant & Equipment (PPE) barring land as at transition date are stated at cost of acquisition / installation as adjusted for import duty waivers and foreign exchange losses / gains less accumulated depreciation and impairment losses.

Cost of acquisition / installation includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties).

The Company capitalises the import duty waived in respect of capital equipment imported under the Export Promotion Capital Goods Scheme

The cost of a self-constructed asset is determined using the same principles as for an acquired asset. If Company makes similar assets for sale in the normal course of business, the cost of the asset is usually the same as the cost of constructing an asset for sale. Any internal profits are eliminated in arriving at such costs. Similarly, the cost of abnormal amounts of wasted material, labour, or other resources incurred in self-constructing an asset is not included in the cost of the asset.

Borrowing Costs is covered by Ind AS 23 criteria for the recognition of interest as a component of the carrying amount of a self-constructed item of property, plant and equipment.

Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

The Company in respect of all PPE elected to continue with the carrying value of the relevant PPE as recognised in the financial statements as at transition date to Ind-AS measured as per the previous GAAP duly used that as the deemed cost as at transition date pursuant to exemption under Ind-AS 101.

Depreciation on Plant Property and Equipment
The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on straight-line basis over its useful life which those prescribed in Schedule II to the Act.

De-recognition:

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/loss arising out of such disposal/retirement is taken to Statement of profit and loss

Useful life of various tangible assets

S No	Major Head	Useful Life (Years)
1	Land	No Depreciation
2	Plant & Machinery	8
3	Mould	10
4	Furniture and Fittings	10
5	Office Equipment	5
6	Computer and Data processing Units	3
7	Pallet	5
8	Intangible Asset	5
9	Buildings (Factory)	30
10	Buildings-Others (temporary structures)	3
11	Vehicles	8
12	Electrical Installation and Equipment's	10

B4 INTANGIBLE ASSETS

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset with finite useful life that are acquired separately and where the useful life is 1 years or more is capitalised and carried at cost less accumulated amortization. Amortization is recognised on a straight line basis over the useful life of the asset. The class of asset and the estimated useful life is as follows

Description of the asset	Useful life and basis of amortization
Software - Acquired	5 Years

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- i. the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- ii. the intention to complete the intangible asset and use or sell it, the ability to use or sell the intangible asset,
- iii. how the intangible asset will generate probable future economic benefits.
- iv. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset,
- v. the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit and loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

As on date there is no internally generated intangible assets that has been recognised in Fixed Assets.

B5 IMPAIRMENT OF ASSETS

At the end of each reporting period, the company determines whether there is any indication that its assets (tangible, intangible assets and investments

in equity instruments in joint ventures and associates carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

B6 LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for Land. The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through-out the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

B7 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of

financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit and loss.

Classification of financial assets

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

After initial recognition:

i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortized cost using the effective interest method. Effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of joint ventures) are subsequently measured at fair value. Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in other comprehensive income.

In respect of investment in equity share capital of group captive power companies which are made to comply with the provisions of Electricity Rules 2003, these investments are carried at cost as these investments can be sold back only at par.

Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant

risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Trade receivables

Trade receivables are initially recognised at transaction price. Subsequently, these assets are held at amortized cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e., expected cash shortfall.

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive).

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive).

Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit and

loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities (other than derivative instruments) are subsequently measured at amortized cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalised as a part of cost of an asset is included in the 'Finance Costs'.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and loss.

B8 INVENTORIES

The Company determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per Ind AS 2, 'Inventories'. The cost of other inventory items used is assigned by using weighted average cost formula.

The Company uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognised at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

Raw materials, components, stores and spares of inventory are measured at weighted average cost. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at cost or Net Realisable Value whichever is lower. Cost includes direct materials, labor and a portion of manufacturing overheads. Saleable scrap is valued at lowest of the net realisable value in the last two months.

B9 PROVISIONS

The Company recognises a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A contingent asset is a 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 assets are disclosed in the Financial Statements by way

of notes to accounts when an inflow of economic benefits is probable.

A contingent liability is

- (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.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Provision for Rejection

Provision for rejection on sales is recognised once the products are sold. Materials are rejected due to various reasons and are either re processed or replaced to the customers depending on the type of rejections. These rejections get fulfilled within a period of 3 months and the provisions represent the present value of management's best estimate of possible rejections within the next one quarter.

B10 REVENUE RECOGNITION

Sale of Goods & Rendering of Services

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Other Operating revenues

Other operating revenues comprise income from ancillary activities incidental to the operations of the Company and are recognised when the right to receive the income is established as per the terms of the contract.

Dividend and Interest Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

B11 BORROWING COST

Since the Company does not have any qualifying assets, capitalisation of borrowing cost is not applicable to the Company. All borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

B12 GOVERNMENT GRANT

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

B13 EMPLOYEE BENEFITS

Defined contribution plans

Provident fund (PF)

Contribution towards PF is determined under the Employees' Provident Funds & Miscellaneous

Provisions Act, 1952 and charged to the Statement of Profit and Loss during the period of incurrence when the services are rendered by the employees.

The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security 2020 have been passed by the parliament and have also received the assent of the President of India on 28 September 2020. However, the date on which these Codes will come into effect has not been notified. The Company will assess the impact of these Codes and will record any related impact in the period these Codes become effective.

Defined benefit plans

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The Statement of Profit and Loss reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and remeasurement gains and losses.

Remeasurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Remeasurements are recognised in other comprehensive income.

The defined benefit costs are comprised of the following individual components:

- Service costs (including current and past service costs as well as gains/losses on curtailments and settlements)
- Net interest costs or income
- Re-measurement

The Company presents the first two components of defined benefit costs in profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/asset pertaining to gratuity comprises actuarial

gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss.

Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Earned leave encashment

Earned leave payments are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy. All leave remaining to be encashed at period end are fully provided.

B14 FOREIGN CURRENCY TRANSACTIONS:

The Company's foreign operations are an integral part of the Company's activities. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit and loss in the period in which they arise except for:

- Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed, which are not hedged, at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets.

B15 INCOME TAXES

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefit, in the form of adjustment to future tax liability, is considered as an asset in the Balance Sheet. The carrying amount of MAT is reviewed at each reporting date and the asset would be written down to the extent the Company's right of adjustment would lapse.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities

B16 STATEMENT OF CASH FLOWS

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax excluding exceptional items for the effects of:

- (i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;
- (ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and
- (iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

B17 SEGMENT REPORTING

The Company's primary reporting segment is business segment, under which it has only one segment to report Aluminium Products as its products primarily relate to automotive aluminium product manufacturing (Cylinder Head Products, engine blocks and casters).

Notes to the Financial Statements

(Amount in Lakhs)

NOTES TO THE FINANCIAL STATEMENTS

Income taxes

Income tax expense for the year reconciled to accounting profit

Particulars	Year Ended	
	31-Mar-23	31-Mar-22
Profit before tax (Including OCI)	8,628.51	193.60
Income tax rate b	34.944%	26.000%
Income tax expenses a*b	3,015.15	50.34
Effect of		
i) EPCG Benefit Capitalisation not considered for Income Tax purpose		
i) Effect of Depreciation	(459.00)	(152.05)
ii) Effect of expenses inadmissible for tax	147.88	132.12
iii) Effect of expenses admissible for tax	(11.39)	(16.51)
Income tax expense recognised in Statement of Profit & loss*	2,692.64	13.90

*Income tax expenses excluding tax related to prior years

Movement of deferred tax assets/ (liabilities)

Movement during the year ended March 2023	As at Mar 2022	Recognised in P&L	Recognised in OCI	MAT Utilisation	As At Mar 2023
Depreciation & Amortization	(1,720.40)	(102.79)	-	-	(1,823.19)
Provision for doubtful debts	-	-	-	-	-
Provision for Loans & Advances and Others	-	-	-	-	-
Other Temporary Differences	(6.96)	9.18	(2.69)	-	(0.46)
MAT Credit Entitlement- Unused tax credit					
Total	(1,727)	(94)	(3)	-	(1,824)
Movement during the year ended March 2022	As at Mar 2021	Recognised in P&L	Recognised in OCI	MAT Utilisation	As At Mar 2022
Depreciation & Amortization	(981.41)	(739.00)	-	-	(1,720.40)
Provision for doubtful debts	-	-	-	-	-
Provision for Loans & Advances and Others	-	-	-	-	-
Other Temporary Differences	43.83	(29.46)	(21.34)	-	(6.96)
MAT Credit Entitlement- Unused tax credit					
Total	(938)	(768)	(21)	-	(1,727)

Employee Benefits

Defined Contribution Plan

The employee provident fund is in the nature of Defined contribution plan. The contribution made to the scheme is considered as expense in the statement of Profit and loss when the employee renders the related service. There is no other obligation other than the contribution payable to employee provident fund.

The total expenses recognised in statement of profit and loss of Rs.131.93 lakhs (2021-22: Rs.130.97 lakhs) represents contribution payable to these plans by the company at rates specified in the rules of the plan.

Defined benefit plans

The company extends defined benefit plan in the form of gratuity to employees. The company makes annual contribution to gratuity fund administered by trustees and managed by Aditya Birla Sun Life Insurance Company

Notes to the Financial Statements

(Amount in Lakhs)

Limited. The Company's liability is determined based on actuarial valuation done at the year end as per projected unit credit method. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to the maximum of Rs.20 lakhs. Vesting occurs upon completion of five years of service.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk: For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

Liquidity Risk: Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cash flows.

Market Risk: Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

Legislative Risk: Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

The principal assumptions used for the purposes of the actuarial valuations were as follows

Particulars	As at	
	31-Mar-23	31-Mar-22
Discount rate	7.59%	7.46%
Expected rate of salary increase		
(a) upto 5 Years	10.00%	10.00%
(b) After 5 Years	4.00%	4.00%
Attrition rate	5.00%	5.00%

The estimate of future salary increase (which has been set in consultation with the company), take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

Current Service Cost	As at	
	31-Mar-23	31-Mar-22
Current Service Cost	16.42	16.35
Net interest expense/ (income)	0.78	5.10
Component of defined benefit cost recognised in P&L	17.20	21.44
Remeasurement on the net defined benefit liability comprising:	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	-

Notes to the Financial Statements

(Amount in Lakhs)

Current Service Cost	As at	
	31-Mar-23	31-Mar-22
Actuarial (Gain)/ Losses due to Experience on DBO	(8.44)	(61.71)
Actuarial (Gain)/Loss arising from changes in financial assumptions due to demographic assumption changes in DBO	0.75	0.64
-	-	-
Return on Plan Assets (Greater) / Less than Discount rate	-	-
Components of defined benefit costs recognised in Other comprehensive income	(7.69)	(61.06)
Total Benefit Cost	9.52	(39.62)

	As at	
	31-Mar-23	31-Mar-22
Present value of defined benefit obligation	224.34	202.85
Fair value of plan assets	214.82	181.86
Net liability arising from defined benefit obligation (funded)	9.52	20.99

Movements in the present value of the defined benefit obligation in the current year were as follows:

	Year ended	
	31-Mar-23	31-Mar-22
Opening defined benefit obligation	202.85	202.85
Current Service Cost	16.42	16.42
Interest Cost	15.07	15.07
Benefits paid	(1.57)	(2.93)
Actuarial (gain)/loss	(8.44)	(61.71)
Closing defined benefit obligation	224.34	169.71

Movements in fair value of plan assets in the current year were as follows:

	Year ended	
	31-Mar-23	31-Mar-22
Opening fair value of plan assets	181.86	152.35
Interest income of the assets	14.29	11.54
Employer contribution	20.99	21.53
Benefits payout	(1.57)	(2.93)
Actuarial gain/(loss)	(0.75)	(0.64)
Closing fair value of plan assets	214.82	181.86

The Company funds the cost of the gratuity expected to be earned on a yearly basis to Aditya Birla Sun Life Insurance Company Limited, which manages the plan assets.

The actual return on plan assets was Rs.14.29 lakhs (2021-22: ₹11.54 lakhs)

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting year.

Notes to the Financial Statements

(Amount in Lakhs)

	Year ended	
	31-Mar-23	31-Mar-22
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would		
• Decrease by (Mar 23: (9.77%); Mar 22: (9.86%))	(21.92)	(20.00)
• Increase by (Mar 23: 11.51%; Mar 22: 11.65%)	25.83	23.63
If the expected salary is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 23: 11.06%; Mar 22: 11.18%)	24.81	22.68
• Decrease by (Mar 23: (9.52%); Mar 22: (9.60%))	(21.36)	(19.47)
If the attrition rate is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 23: 2.67%; Mar 22: 2.62%)	6.00	5.32
• Decrease by (Mar 23: (1.92%); Mar 22: (3.04%))	(6.93)	(6.17)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Funding arrangements

The company has been fully funding the liability through a trust administered by an insurance company. Regular assessment of the increase in liability is made by the insurance company and contributions are being made to maintain the fund. Subject to credit risk of the insurance company & the asset liability mismatch risk of the investments, the Company will be able to meet the past service liability on the valuation date that falls due in the future.

Information on the maturity profile of the liabilities:

Particulars	As at	
	31-Mar-23	31-Mar-22
Weighted average duration of the DBO	12.78	13.05
Projected Benefit Obligation	224.34	202.85
Accumulated Benefits Obligation	112.20	124.45

Maturity Profile (Para 147 C of Ind AS 19):

FUTURE PAYOUTS	Present Value
Year 1	13.17
Year 2	12.79
Year 3	12.43
Year 4	12.08
Year 5	11.75
Next 5 year pay-outs (6-10yrs)	51.33
Pay-outs above ten years	110.78

Notes to the Financial Statements

(Amount in Lakhs)

Earnings per share

	Year ended	
	31-Mar-23	31-Mar-22
Earnings per share ('EPS')		
Basic earnings per share	5.18	(0.59)
Diluted earnings per share	5.18	(0.59)
Face value per share for EPS	10.00	10.00
Basic and diluted earnings per share		
Profit for the year attributable to equity shareholders	5,841.20	(639.67)
Weighted average number of equity shares used in the calculation of basic earnings per share	1,128.50	1,084.64
after adjustment for effect of dilution	1,128.50	1,084.64

Financial Instruments

Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Group. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, buy back shares and cancel them, or issue new shares. The Company finances its operations by a combination of retained profit and any borrowings.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company

Details	As at	
	31-Mar-23	31-Mar-22
Debt(Long and Short Term borrowings including current maturities)	16,057.38	25,287.89
Equity	25,313.24	19,472.04
Debt Equity Ratio	0.63	1.30

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

Asset	Currency	As at March 2023		As at March 2022	
		Amount In Foreign Currency (Lakhs)	Amount In ₹(Lakhs)	Amount In Foreign Currency (Lakhs)	Amount In ₹(Lakhs)
Receivables	USD	-	-	-	-
	EUR	-	-	-	-
	GBP	-	-	-	-
		-	-	-	-
Loans given in FC	EUR	-	-	-	-
Total Receivables (A)		-	-	-	-
Hedges by derivative contracts (B)		-	-	-	-
Unhedged Receivables(C=A-B)		-	-	-	-

Notes to the Financial Statements

(Amount in Lakhs)

Liability	Currency	As at March 2023		As at March 2022	
		Amount In Foreign Currency	Amount In Rs	Amount In Foreign Currency	Amount In Rs
Payables	USD	59.83	4,917.08	108.57	8,230.40
	EUR	-	-	-	-
	GBP	-	-	-	-
Borrowings (ECB and Others)	EUR				
Total Payables (A)		59.83	4,917	108.57	8,230
Hedges by derivative contracts (B)		-	-	-	-
Unhedged Payables(C=A-B)		59.83	4,917	108.57	8,230

Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from various banks. The Company invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks.

The table below summarizes the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the discounted cash flows.

As At March 2023	Due Within 1 Year	Due Between 2 and 5 Year	Due Beyond 5 Year	Total Amount
Bank and other borrowings	3,250.00	10,990.63	1,816.76	16,057.38
Interest payments on borrowings	1,339.90	2,255.88	104.99	3,700.77
Lease liability	11.39	104.03	39.76	155.18
Trade Payables	15,072.17	-	-	15,072.17

As At March 2022	Due Within 1 Year	Due Between 2 and 5 Year	Due Beyond 5 Year	Total Amount
Bank and other borrowings	11,444.60	10,409.76	3,433.54	25,287.89
Interest payments on borrowings	1,845.37	3,363.22	337.55	5,546.15
Lease liability	17.05	18.23	-	35.28
Trade Payables	7,249.72	-	-	7,249.72

The table below summarizes the maturity profile for its derivative financial liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis or gross basis. The table includes both hedge effective & ineffective derivative instruments. Hedge effective instruments are fair valued through Other Comprehensive Income (OCI) & hedge ineffective derivative instruments are fair valued through statement of profit and loss.

Notes to the Financial Statements

(Amount in Lakhs)

Categories of Financial assets and liabilities:

	As at March 2023	As at March 2022
Financial Assets		
a. Measured at Amortised cost		
Investment (Net)	50.57	46.07
Cash and cash equivalents	394.47	1,265.68
Other bank balances & Interest receivable	14.81	3,388.59
Trade Receivables	16,536.66	10,831.87
Loans	-	-
Security Deposit	266.80	267.07
b. Mandatorily maintained at fair value through other comprehensive Income (FVOTOCI)		
Investments	-	-
Currency swaps & options and IRS & IRC	-	-
Others	-	-
c. Deemed equity measured at fair value		
Investments	-	-

	As at March 2023	As at March 2022
Financial Assets		
a. Measured at Amortised cost		
Borrowings	16,057.38	25,287.89
Lease Liability	115.42	35.28
Trade Payables	15,072.17	7,249.72
Other Financial Liabilities	4,855.88	1,905.05
b. Mandatorily maintained at fair value through other comprehensive income (FVTOCI)		
Currency Swaps & IRS	-	-
c. Mandatorily maintained at fair value through profit or loss (FVTPL)		
Currency swaps & options and IRS & IRC	-	-
Others	-	-

Fair value measurements:

- i) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting year:

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 : Quoted Price for identical instruments in an active market

Level 2 : Directly or indirectly observable market inputs, Other than level 1 inputs and

Level 3 : Inputs which are not based on observable market data

Notes to the Financial Statements

(Amount in Lakhs)

For assets and liabilities that are measured at fair value as at balance sheet date., the classification of fair value calculation by category is summarized below

As at March 31, 2023	Level 1	Level 2	Level 3	Total
Asset at fair value Investments measured at				
i) fair value through OCI	-	-	-	-
ii) fair value through P&L	-	-	-	-
As at March 31, 2022	Level 1	Level 2	Level 3	Total
Asset at fair value Investments measured at				
i) fair value through OCI	-	-	-	-
ii) fair value through P&L	-	-	-	-

Calculation of Fair Values:

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used.

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

1. The fair values of investment in quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
2. The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.

Related party disclosure

a. List of parties where control exists

1. Holding

M/s. Craftsman Automation Limited

M/s. Daerim International Co. Ltd., South Korea (Holding Company Upto 31st Jan 2023)

M/s. DR Axion Co. Ltd. (Ultimate Holding Company Upto 31st Jan 2023)

b. Other related parties

Name of the Party	Nature of Relationship
Craftsman Europe B.V	Associate
Carl Stahl Craftsman Enterprises Pvt Limited	Associate

Key Management Personnel

Key Management personnel	Designation
Mr Srinivasan Ravi	Chairman & Managing Director (From 01.02.2023)
Mr. Kim Jong Seob	Joint Managing Director & CEO (Managing Director upto 31.01.2023)
Mr. Heejin Cho	Director (Upto Jan 2023)
Mr. C B Chandrasekar	Chief Financial Officer
Mrs. Arthi Narasimman	Company Secretary (Upto July 2022)
Mrs. Sandhiya Raghavan	Company Secretary (Upto Aug 22 to Jan 23)
Mr Shainshad Aduvanni	Company Secretary (from 01.02.2023)

Notes to the Financial Statements

(Amount in Lakhs)

c) Related Party Transactions – Summary:

Transaction during the year ended	Holding Company		Key Management Personnel	
	Mar-23	Mar-22	Mar-23	Mar-22
Purchase of Goods & Services	3,029.44	2,117.97	-	-
Reimbursement of Expenditure from	5.63	-	-	-
Remuneration to key management personnel	-	-	86.37	93.50
Sitting Fee	1.40	-	-	-
Balances at the End of				
Trade Payables	1,203.82	612.58	-	-
Remuneration payable	-	-	3.07	5.95

d) Significant Related party transactions:

Transaction during the year ended	Year Ended March 31,2023	Year Ended March 31,2022
Purchase of Goods & Services		
DR Axion Co. Ltd.-Royalty	2,756.96	2,117.97
DR Axion Co. Ltd.-CG Purchase	36.64	-
Craftsman Automation Limited-CG Purchase	1.55	-
Craftsman Automation Limited-Consumable Purchase	0.18	-
Craftsman Automation Limited-Raw Material Purchase	234.12	-
Craftsman Automation Limited-Reimbursement of Expenditure	5.63	-
Remuneration to key management personnel		
Mr. Kim Jong Seob	50.41	49.82
Mr.Heejin Cho	31.33	37.00
Ms. Arthi Narasimman	2.03	6.68
Ms.Sandhiya Raghavan	2.60	-
Sitting Fee		
T.S.V.Rajagopal	0.70	-
Vijaya Sampath	0.70	-

e) Balances of Related Parties

Balances at the End of	Year Ended March 31,2023	Year Ended March 31,2022
Craftsman Automation Limited	278.35	-
DR Axion Co. Ltd.	925.48	612.58
Remuneration payable	3.07	5.95

Contingent Liabilities and Contingent assets

a) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Notes to the Financial Statements

(Amount in Lakhs)

Contingent Liabilities

Claims against the company not acknowledged as debt

	As at March 2023	As at March 2022
a. Income tax (Amount of Disallowance)		
AY 2018-19	51.50	-
AY 2018-19	22.68	-
AY 2019-20	12.36	-
b. Sales Bills discounted	-	-

Commitments

Commitment on Capital Account not provided as on 31.03.2023: ₹305.59 lakhs; 31.03.2022: ₹348,lakhs.

Non-Current Borrowings:

	As at March 31 2023			Particulars of Repayment		As at March 31 2022		
	Non-Current	Current Maturity	Total	Installments	Amount/Inst nos.	Non-Current	Current Maturity	Total
HDFC Term Loan	3,118.00	1,250.00	4,368	Quarterly	312.50/24	4,363.55	1,250.00	5,614
HDFC Term Loan-1	593.63	833.33	1,427	Quarterly	208.33/20	2,926.96	833.33	3,760
HDFC Term Loan-2	1,869.33	-	1,869	Quarterly	116.83/16	-	-	-
HDFC Term Loan-3	264.45	-	264	Quarterly	16.53/16	-	-	-
Axis Term Loan-3	4,566.13	416.67	4,983	Quarterly	208.33/24	4,406.95	-	4,407
HDFC TL GECL	437.50	250.00	688	Monthly	20.83/48	687.50	250.00	938
HDFC TL 1 GECL	958.33	500.00	1,458	Monthly	41.67/48	1,458.33	500.00	1,958
HDFC TL 2 GECL	1,000.00	-	1,000	Monthly	20.83/48	-	-	-
Total	12,807.38	3,250.00	16,057.38			13,843.30	2,833.33	16,676.63

The balances mentioned above are at amortized cost.

All term loans, both Rupee and Foreign Currency are secured by first pari passu charge on fixed assets of the company. Also, a second pari passu charge on current assets of the company are created for all term loans except for loan from Kotak Mahindra Bank, In addition to the above, the loans are guaranteed by personal guarantees of the Chairman and Managing Director.

Lease arrangements

Company as lessee

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022:

Particulars	Land	Total
Balance as at 1 April 2022	36.54	36.54
Additions	125.48	125.48
Amortization/ expense	18.18	18.18
Deletion	22.79	22.79
Balance as of 31 March 2023	121.04	121.04

Particulars	Land	Total
Balance as at 1 April 2021	54.77	55
Additions	-	-
Amortization/ expense	18.24	18

Notes to the Financial Statements

(Amount in Lakhs)

Particulars	Land	Total
Deletion	-	-
Balance as of 31 March 2022	36.54	37

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities:

Particulars	Mar 31,2023	Mar 31,2022
Current lease liabilities	11.39	17.05
Non-current lease liabilities	104.03	18.23
Total	115.42	35.28

The following is the movement in lease liabilities during the year:

Particulars	
Balance as at 1 April 2022	35.28
Additions	118.18
Finance cost accrued during the year	3.46
Deletion	(22.60)
Payment of lease liabilities	(18.90)
Balance as of 31 March 2023	115.42
Particulars	
Balance as at 1 April 2021	51.24
Additions	-
Finance cost accrued during the year	2.95
Deletion	-
Payment of lease liabilities	(18.90)
Balance as of 31 March 2022	35.28

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	31-Mar-23	31-Mar-22
Less than one year	11.39	17.05
One to five years	64.26	18.23
More than five years	39.76	-
Total	115.42	35.28

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was 8.58 lakhs for the year ended March 31, 2022. (March 31, 2022: ₹6.24 lakhs)

Total cash outflow for leases including short-term was ₹27.48 lakhs for the year ended March 31, 2023. (March 31, 2022: ₹25.14 lakhs).

Notes to the Financial Statements

(Amount in Lakhs)

Ratio Analysis

Particulars	FY 2022-23	FY 2021-22	% Variance	Remarks for 25% change
(a) Current Ratio	1.27	1.16	10%	
(b) Debt-Equity Ratio	0.63	1.30	(51)%	Loan was repaid during the year
(c) Debt Service Coverage Ratio	1.02	0.19	439%	Due to increase in profit
(d) Return on Equity Ratio	26%	(0.03)	(907)%	Due to increase in profit
(e) Inventory turnover ratio	5.66	6.77	(16)%	
(f) Trade Receivables turnover ratio	7.92	7.58	5%	
(g) Trade payables turnover ratio	7.25	9.31	(22)%	
(h) Net capital turnover ratio	14.74	20.72	(29)%	Due to increase in Turnover
(i) Net profit ratio	5%	(1)%	(703)%	Due to increase in profit
(j) Return on Capital employed	13%	2%	440%	Due to increase in profit
(k) Return on investment #	NA	NA	NA	

Investments are made only for production and product related. Hence ROI is not applicable

Disclosure in accordance with Section 22 of Micro, Small and Medium Enterprises, Development Act, 2006:

Particulars	March 31, 2023	March 31, 2022
i) Principal Amount due to MSME Supplier at the end of financial year	97.47	3,958.98
ii) Principal overdue at the end of financial year	-	46.70
iii) Interest due on the Principal overdue at the end of financials year	-	0.94
iv) Amount of interest paid during financial year	-	0.50
v) Interest due and payable during the year but not paid	-	-
vi) Interest accrued and remaining unpaid at the end of Financial year	-	0.94
vii) The amount of further interest due and payable even in the succeeding year	-	-

(a) Total payable to MSME supplier include

- Trade Payable of Rs.97.47 lakhs-, Non trade payable is NIL and CG Payable is NIL for Year end 31st March 2023.
- Trade Payable of Rs.3,812.93 Lakhs, Non trade payable of Rs.117.75Lakhs and CG Payable of Rs.28.29 Lakhs for Year end 31st March 2022.

(b) This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

C.I.F. Value of Imports

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Import of Raw Materials	10,250.02	12,630.52
Import of Trading Goods	4,978.15	1,537.32
Import of Capital Goods	3,535.55	5,138.92
Import of Spares & Maintenance Materials	1,119.11	1,283.60
TOTAL	19,883	20,590

Notes to the Financial Statements

(Amount in Lakhs)

Expenditure in foreign currency

Particulars	Year Ended 31 st March 2023	Year Ended 31 st March 2022
Interest Expenditure	103.40	122.80
Royalty	2,756.96	2,117.97

CSR Expenditure:

	Year Ended 31 st March 2023	Year Ended 31 st March 2022
(a) Gross amount required to be spent by the company during the year as per section 135 of the Companies Act, 2013 read with Schedule VII	30.16	475.60
(b) Amount spent during the year	-	-
(c) Amount transferred to CSR on-going projects subsequently	-	-

Particulars	In Cash	Yet to be paid in Cash	Total
(i) Construction / acquisition of any asset			
(ii) On purposes other than (i) above	30.16	-	30.16

Particulars	31-Mar-23	31-Mar-22
(a) Gross amount required to be spent by the company during the year	30.16	475.60
(b) Amount spent during the year on :		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	30.16	475.60
(c) The amount of shortfall / (excess Spent) at the end of the year out of the amount required to be spent by the Company during the year;	-	-
(iv) total of previous years shortfall	68.30	68.34
(v) reason for shortfall*	-	-
(vi) nature of CSR activities	Transferred to PM Care Fund	Transferred to PM Care Fund & Clean Ganga Fund
(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,	Nil	Nil
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.	Nil	Nil

*The reason for short fall & Subsequent Spending:

The unspent CSR, in the books of accounts, a sum of ₹68.29 Lakhs related to the financial year 2019-20, for which the company is yet to identify suitable projects and it is decided by the management to retain the liability in the books till such time it is spent for activities specified in Schedule VII to the Companies Act, 2013.

Segment Reporting

The Company's primary reporting segment is business segment, under which it has only one segment to report as its products primarily relate to automotive component manufacturing (Cylinder Head Products, engines and caters).

Notes to the Financial Statements

(Amount in Lakhs)

CWIP Ageing Schedule

PARTICULARS	Amount in CWIP for a period of					Total
	Less than 1Year	1-2 Years	1-2 Years	2-3 Years	Morthan 3 Years	
Project in Progress	1,497.80	-	-	-	-	1,498
Projects temporarily suspended	-	-	-	-	-	-
TOTAL	1,498	-	-	-	-	1,498

Borrowings secured against current assets

Quarter Ended	Name of Bank	Particulars of securities provided	Reported in the Quarterly Statement	Amount as per books	Amount of Difference
June,2022	HDFC Bank	Stock and Book Debts	23,044.13	23,044.13	-
	Axis Bank		23,044.13	23,044.13	-
Sep,2022	HDFC Bank	Stock and Book Debts	22,590.02	22,590.02	-
	Axis Bank		22,590.02	22,590.02	-
Dec, 2022	HDFC Bank	Stock and Book Debts	22,551.13	22,551.13	-
	Axis Bank		22,551.13	22,551.13	-
Mar, 2023	HDFC Bank	Stock and Book Debts*	29,895.44	29,895.44	-
	Axis Bank		29,895.44	29,895.44	-

* Stock excluding Goods in Transit and Provision for Slow moving of Rs 64.98 Lakhs

Claims Not Acknowledged as Debts

There are no claims against the Company which are not acknowledged as debts as certified by the management.

Provision for Doubtful Debt

During the financial year company has not created provision for bad and doubt debt.

Loan, Advances & Investments made or received-Rule 11(e)

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Company has not received any funds from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

Additional Regulatory Information pursuant to changes in Schedule III

- No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

Notes to the Financial Statements

(Amount in Lakhs)

- v) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- vi) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii) There are no funds which have been received by the Company from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- viii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- ix) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

Others

- In the opinion of the Board of Directors and to the best of their knowledge and belief the value on realisation of current assets, loans and advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
- Previous year figures have been regrouped wherever necessary to conform to the current year's classification.
- Figures in brackets indicate deductions.

As per our report of even date

For Sukumar & Associates
Chartered Accountants

Firm Regn No: 005610 S

N.Sukumar, B.Sc., F.C.A.

Partner
MSP No.022444

Place : Chennai
Date : Date : 22nd April, 2023

For and on behalf of the Board of Directors

DR Axion India Private Limited

S.Ravi

Chairman and Managing Director
DIN : 01257716

Place :Coimbatore
Date : 22nd April, 2023

Shainshad Aduvanni

Company Secretary
M.No.A27895

Place : Coimbatore
Date : 22nd April, 2023

Kim Jong Seob

Joint Managing Director & CEO
DIN : 07382589

Place :Thiruvallur
Date : 22nd April, 2023

C. B. Chandrasekar

Chief Financial Officer

Place : Coimbatore
Date : 22nd April, 2023