MSKA & Associates
Chartered Accountants

SV Tower, No. 27, Floor 4
80 Feet Road, 6th Block, Koramangala
Bengaluru 560095, INDIA

INDEPENDENT AUDITOR'S REPORT

To the Members of Innomech Aerospace Toolings Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Innomech Aerospace Toolings Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

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

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report etc but does not include the financial statements and our auditor's report thereon. The Director's report has not been made available to us.

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

Responsibilities of Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Other Matters

(a) The financial statements of the Company for the year ended March 31, 2023, were audited by another auditor whose report dated September 29, 2023 expressed an unmodified opinion on those statements.

(b) The comparative financial information of the Company for the year ended March 31, 2023 and the transition date opening Balance Sheet as at April 1, 2022 included in these financial statements, are based on the previously issued financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by the predecessor auditor whose report for the year ended March 31, 2023 and March 31, 2022 dated September 29, 2023 and September 29, 2022 respectively expressed an unmodified audit opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

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(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) 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, 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 financial statements - Refer Note 21 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

(1) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) / entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary has, 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;

(2) The Management has represented that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) / entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall 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;

(3) Based on our audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

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3. In our opinion, according to information, explanations given to us, the provisions of Section 197 read with Schedule V of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Pankaj Bhauwala
Partner
Membership No. 233552
UDIN: 24233552BKBKKM4990

Place: Bengaluru
Date: July 3, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.

- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

MSKA & ASSOCIATES ★ Chartered Accountants ★

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 24233552BKBKKM4990

Place: Bengaluru
Date: July 3, 2024

SV Tower, No. 27, Floor 4
80 Feet Road, 6th Block, Koramangala
Bengaluru 560095, INDIA

ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.

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

(b) Property, Plant and Equipment, and right of use assets have been physically verified by the management at during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties (Other than properties where the company is lessee and lease agreements are duly executed in the favour of lessee) and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks on the basis of security of current assets. However, there is no requirement to file quarterly returns / statements file with such Banks/ financial institution as the same is not applicable as per the sanction letter.

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iii. (a) According to the information explanation provided to us, the Company has provided advances in the nature of loans and provided security to other entities (Employees).

(A) The details of such loans, advances, guarantee or security to subsidiaries, Joint Ventures and Associates are as follows:

Amount in INR lakhs

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
Balance Outstanding as at balance sheet date in respect of above cases				-
- Subsidiaries	-	-	-	
- Joint Ventures				-
- Associates	-	-	-	-
	-	-	-	

AND

(B) The details of such loans, advances, guarantee or security to parties (employees) other than Subsidiaries, Joint ventures and Associates are as follows:

Amount in INR lakhs

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year - Others	-	-	-	16.16
Balance Outstanding as at balance sheet date in respect of above cases - Others	-	-	-	6.30

During the year the Company has not stood guarantee and provided security to any other entity.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the securities given and terms and conditions in relation to grant of advances in the nature of loans and securities given are not prejudicial to the interest of the Company.

(c) In case of interest free advances in the nature of loan to other parties (employees), schedule of repayment of principal have been stipulated and the repayment or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the advances in the nature of loans, granted to Other Parties (Employees).

(e) According to the information explanation provided to us, there were no loans or advance in the nature of loan granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loan given to the same parties.

(f) According to the information explanation provided to us, the Company has not any granted loans/advances either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the provisions stated under clause 3(iii)(f) of the Order are not applicable to the Company.

iv. The Company is a private company and satisfies the conditions for exemption from the provisions of section 185 prescribed in notification dated June 5, 2015 issued by the Ministry of Corporate Affairs. Accordingly, the provisions of section 185 do not apply to the Company. Further, according to the information and explanations given to us, provisions of sections 186 of the Companies Act, 2013 in respect of guarantees and security have been complied with by the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

(b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

Amount in INR lakhs

Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax and interest there on	286.20	57.24	AY 2023-24	Commissioner of Income Taxes (Appeals)

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 40.12 to the standalone financial statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.

(b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

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xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards. Further, the Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. Accordingly, provisions started under clause 3(xiii) of the Order insofar as it relates to section 177 of the Companies Act, 2013, is not applicable to the Company.

xiv. (a) In our opinion and based on our examination, the Company has implemented an internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system as per the provisions of the Companies Act, 2013.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.

xviii. There has been resignation of the statutory auditors during the year, there were no issues, objections or concerns raised by the outgoing auditor.

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xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 41 to the financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Companies Act, 2013, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Companies Act, 2013 or to a Special Account as per the provisions of Section 135 of the Companies Act, 2013 read with schedule VII to the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 24233552BKBKKM4990

MSKA & ASSOCIATES ★ Chartered Accountants ★

Place: Bengaluru
Date: July 3, 2024

SV Tower, No. 27, Floor 4
80 Feet Road, 6th Block, Koramangala
Bengaluru 560095, INDIA

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Innomech Aerospace Toolings Private Limited on the Financial Statements for the year ended March 31, 2024]

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

We have audited the internal financial controls with reference to financial statements of Innomech Aerospace Toolings Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to financial statements 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 (ICAI) (the "Guidance Note").

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

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

Meaning of Internal Financial Controls With reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls With reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

MSKA & ASSOCIATES ★ Chartered Accountants ★

Pankaj S Bhauwala
Partner
Membership No. 233552
UDIN: 24233552BKBKKM4990

Place: Bengaluru
Date: July 3, 2024

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Balance Sheet as at March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Assets				
Non-current assets				
Property, plant and equipment	3	4,156.96	1,826.33	1,243.51
Capital work-in-progress	4	-	-	302.53
Right-of-use assets	5	542.48	548.21	587.58
Intangible assets	6	61.51	8.32	16.06
Financial assets				
Other financial assets	7	17.18	18.97	215.16
Deferred tax assets (net)	33	8.33	-	47.33
Other non-current assets	8	844.88	-	-
Total non-current assets		**5,631.34**	**2,401.83**	**2,412.17**
Current assets				
Inventories	9	1,355.52	1,093.28	76.57
Financial assets				
Trade receivables	10	3,839.84	2,410.53	568.56
Cash and cash equivalents	11	203.47	78.35	238.03
Bank balances other than cash and cash equivalents	12	-	-	159.02
Other financial assets	13	1,995.67	527.96	119.15
Other current assets	14	683.29	200.75	46.82
Current tax assets (net)	23(a)	243.61	-	-
Total current assets		**8,321.40**	**4,310.87**	**1,208.15**
Total assets		**13,952.74**	**6,712.70**	**3,620.32**
Equity and liabilities				
Equity				
Equity share capital	15	101.00	101.00	1.00
Other equity	16	8,285.36	2,735.67	722.61
Total equity		**8,386.36**	**2,836.67**	**723.61**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	17	1,251.76	359.01	413.16
Deferred tax liabilities (net)	33	-	13.74	-
Provisions	21	-	485.64	94.11
Total non-current liabilities		**1,251.76**	**858.39**	**507.27**
Current liabilities				
Financial liabilities				
Borrowings	18	1,433.74	1,934.99	1,472.51
Lease liabilities	5	-	-	36.12
Trade payables	19			
Total outstanding dues of micro enterprises and small enterprises		149.45	126.47	57.77
Total outstanding dues of creditors other than micro enterprises and small enterprises		627.46	436.47	640.17
Other financial liabilities	20	226.11	195.88	29.39
Provisions	21	1,836.03	83.34	29.25
Other current liabilities	22	41.83	51.85	25.71
Current tax liabilities (net)	23(b)	-	188.64	98.52
Total current liabilities		**4,314.62**	**3,017.64**	**2,389.44**
Total liabilities		**5,566.38**	**3,876.03**	**2,896.71**
Total equity and liabilities		**13,952.74**	**6,712.70**	**3,620.32**

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Pankaj S Bhauwala
Partner
Membership No: 233552
Place: Bengaluru
Date: July 3, 2024

MSKA & ASSOCIATES ★ Chartered Accountants ★

For and on behalf of the Board of Directors of
Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006

Anil Kumar Puttan	**Ramakrishna Kamojhala**
Managing Director	Whole-time director
DIN: 07683267	DIN: 07004517
Place: Germany	Place: Bengaluru
Date: July 3, 2024	Date: July 3, 2024

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Statement of Profit and Loss for the year ended March 31,2024
(All amounts in INR lakhs, unless otherwise stated)

	Notes	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	24	18,653.30	6,921.61
Other income	25	385.89	27.82
Total income		**19,039.19**	**6,949.43**
Expenses			
Cost of materials consumed	26	4,130.30	2,422.82
Changes in inventories of finished goods and work-in-progress	27	(287.35)	(922.58)
Subcontracting charges	31	2,521.67	469.43
Employee benefits expense	28	2,439.17	922.01
Finance costs	29	407.55	216.03
Depreciation and amortisation expenses	30	259.28	210.31
Other expenses	32	2,189.40	882.01
Total expenses		**11,660.02**	**4,200.03**
Profit before tax		**7,379.17**	**2,749.40**
Income tax expense / (credit)	33		
Current tax		1,760.74	485.37
Deferred tax		(20.71)	122.71
Total income tax expense		**1,740.03**	**608.08**
Profit for the year		**5,639.14**	**2,141.32**
Other comprehensive income			
Item that will not be reclassified to profit or loss			
Remeasurements of post-employment defined benefit plans		(5.25)	(244.91)
Income tax effect on above		1.32	61.64
Other comprehensive income for the year, net of tax		**(3.93)**	**(183.27)**
Total comprehensive income for the year		**5,635.21**	**1,958.05**
Earnings per equity share	37		
Basic and diluted (INR)		5,579.42	5,018.72

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Pankaj S Bhauwala
Partner
Membership No: 233552
Place: Bengaluru
Date: July 3, 2024

For and on behalf of the Board of Directors of
Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006

Anil Kumar Puttan
Managing Director
DIN: 07683267
Place: Germany
Date: July 3, 2024

Ramakrishna Kamojhala
Whole-time director
DIN: 07004517
Place: Bengaluru
Date: July 3, 2024

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Statement of Cash Flows for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	7,379.17	2,749.40
Adjustments for:		
Depreciation and amortisation expenses	259.28	210.31
Finance costs	407.55	216.03
Interest income	(119.70)	(23.27)
Expected credit loss allowance and liquidated damages	94.46	66.49
Unrealised foreign exchange loss/(gain)	(48.87)	7.97
Operating profit before working capital changes	**7,971.89**	**3,226.93**
Changes in operating assets and liabilities		
Increase/ (decrease) in trade payables	212.53	(131.87)
Increase/ (decrease) in other current liabilities	(10.02)	26.14
Increase / (decrease) in provisions	1,261.80	200.71
Decrease/ (increase) in inventories	(262.24)	(1,016.71)
Decrease/ (increase) in trade receivables	(1,468.30)	(1,700.10)
Decrease/ (increase) in other financial assets	(1,465.92)	(211.85)
Decrease/ (increase) in other financial liabilities	30.19	166.49
Decrease/(increase) in other current assets	(482.54)	(153.93)
Decrease/(increase) in other non-current assets	(844.88)	-
Cash generated from operations	**4,942.51**	**405.81**
Income taxes paid	(2,192.99)	(429.82)
Net cash flows from/ (used in) operating activities (A)	**2,749.52**	**(24.01)**
Cash flows from investing activities		
Payments for acquisition of property, plant and equipment and intangible asset	(2,637.37)	(443.49)
Interest received	119.70	22.50
Investment in bank deposits	-	(37.66)
Net cash flows used in investing activities (B)	**(2,517.67)**	**(458.65)**
Cash flows from financing activities		
Proceeds from issue of equity share capital	-	100.00
Proceeds from borrowings	298.88	391.67
Interest paid on borrowings and guarantee commision	(406.59)	(136.52)
Principal paid on lease liabilities	-	(36.12)
Interest paid on lease liabilities	-	(1.32)
Net cash flows from/ (used in) financing activities (C)	**(107.71)**	**317.71**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**124.14**	**(164.95)**
Cash and cash equivalents at the beginning of the year	78.35	238.03
Effects of exchange rate changes on cash and cash equivalents	0.98	5.27
Cash and cash equivalents at the end of the year	**203.47**	**78.35**
Cash and cash equivalents comprise		
Balances with banks:		
In current accounts	53.62	46.34
In EEFC accounts	149.51	32.00
Cash on hand	0.34	0.01
Total	**203.47**	**78.35**

Refer to note 18.2 for reconciliation of movements of liabilities to cash flows arising from financing activities.

The accompanying notes form an integral part of the Financial Statements

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Pankaj S Bhauwala
Partner
Membership No: 233552
Place: Bengaluru
Date: July 3, 2024

MSKA & ASSOCIATES ★ Chartered Accountants ★

For and on behalf of the Board of Directors of
Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006

Anil Kumar Puttan
Managing Director
DIN: 07683267
Place: Germany
Date: July 3, 2024

Ramakrishna Kamojhala
Whole-time director
DIN: 07004517
Place: Bengaluru
Date: July 3, 2024

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Statement of Changes in Equity for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

(A) Equity share capital (Note 15)
Equity shares of INR 100 each issued, subscribed and fully paid

	Year ended March 31, 2024	
	No. of shares	Amount
Balance as at April 1, 2023	1,01,000	101.00
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	**1,01,000**	**101.00**

	Year ended March 31, 2023	
	No. of shares	Amount
Balance as at April 1, 2022	1,000	1.00
Changes in equity share capital during the year	1,00,000	100.00
Balance as at March 31, 2023	**1,01,000**	**101.00**

(B) Other equity (Note 15)

	Reserves and surplus		
	Contribution from parent	Retained earnings	Total
Balance as at April 1, 2023 (Note 15.1)	158.34	2,577.33	2,735.67
Profit for the year	-	5,639.14	5,639.14
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	**5,639.14**	**5,639.14**
Fair value of financial guarantees received from the parent company	-	-	-
Balance as at March 31, 2024	**158.34**	**8,216.47**	**8,374.81**

	Reserves and surplus		
	Contribution from parent	Retained earnings	Total
Balance as at April 1, 2022 (Note 15.1)	103.33	619.28	722.61
Profit for the year	-	2,141.32	2,141.32
Other comprehensive income for the year, net of tax	-	(183.27)	(183.27)
Total comprehensive income for the year	-	**1,958.05**	**1,958.05**
Fair value of financial guarantees received from the parent company	55.01	-	55.01
Balance as at March 31, 2023	**158.34**	**2,577.33**	**2,735.67**

The accompanying notes are an integral part of the statement of changes in equity.

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

MSKA & ASSOCIATES ★ Chartered Accountants ★

Pankaj S Bhauwala
Partner
Membership No: 233552
Place: Bengaluru
Date: July 3, 2024

For and on behalf of the Board of Directors of
Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED BENGALURU 562 110

Anil Kumar Puttan	**Ramakrishna Kamojhala**
Managing Director	Whole-time director
DIN: 07683267	DIN: 07004517
Place: Germany	Place: Bengaluru
Date: July 3, 2024	Date: July 3, 2024

1 Corporate information

Innomech Aerospace Toolings Private Limited ("the Company") (CIN: U29200KA2018PTC118006) is domiciled and incorporated as a private limited Company in India and was incorporated on October 26, 2018 under the provisions of the Companies Act, 2013 ("the Act"). The Company's registered office is at Plot No. 3, Sy No. 21-P, Aerospace SEZ Sector, Hitech Defence and Aerospace Park, Kavadadasanahalli, Bengaluru - 562135, Karnataka, India.

The Company's main objective is to carry on the business of manufacturing products and components to be used in civil and defence aerospace sector. The Company is a subsidiary of Unimech Aerospace and Manufacturing Limited ("the parent company").

These financial statements were approved for issue in accordance with a resolution of the directors on July 03, 2024.

2 Summary of material accounting policies

These notes provide a list of the material accounting policies adopted in the preparation of this financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Compliance

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, as applicable to the standalone financial statements.
The financial statements of the Company up to year ended March 31, 2023 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).
These financial statements have been prepared by making Ind AS adjustments to the audited statutory financial statements of the Company:
- As at and for the year ended March 31, 2022, which were approved by the Board of directors at their meeting held on September 29, 2022.
- As at and for the year ended March 31, 2023, which were approved by the Board of directors at their meeting held on September 29, 2023.

Refer Note 34 for reconciliation of equity and total comprehensive income as per the Financial Statements as at and for the years ended March 31, 2023 and 2022 and the statutory financial statements as at and for the years ended March 31, 2023 and 2022.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for net defined benefit employee obligations which is measured at the present value of defined benefit obligation.

(c) Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

(d) Presentation currency and rounding off

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs and decimals thereof, as per requirement of Schedule III of the Act, unless otherwise stated. Amounts mentioned as "0.00" in the denote amounts rounded off being less than rupees ten thousands.

2.2 Summary of material accounting policies

(a) Property, plant and equipment

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Particulars	Useful Life
Factory buildings	30 years
Plant and equipment	4 to 15 years
Furniture and fixtures	4 years
Computers	3 years
Vehicles	8 years
Office equipment	4 to 5 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment and office equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the asset.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

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(b) Intangible assets

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

Intangible assets (Software) are amortised over the useful economic life of 3 years on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period.

(c) Borrowing costs

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

(d) Leases

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

Company as a lessee

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

i) Right-of-use assets

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

ii) Lease Liabilities

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

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

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

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

(e) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials (Including packing materials): Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average method.

Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average method.

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

Stores and spares: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition and charged to statement of profit and loss on purchase.

(f) Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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(g) Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(h) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

Revenue is measured at transaction price (net of variable consideration, if any). The transaction price is the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government.

Revenue also includes adjustments made towards liquidated damages and price variations wherever applicable.

(i) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

(j) Taxes

Tax expense comprises current tax expense and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

MAT:

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognises MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Tax holiday:

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(k) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

The Company provides warranties for general repairs of defects that existed at the time of sale, as required by law. Provisions related to these assurance-type warranties are recognised when the product is sold, or the service is provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

(l) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Longevity bonus liability is accrued for certain class of key managerial persons, as may be decided by the Board from time to time to recognise their immense contribution in driving the organisation, and payable upon their resignation or exit from the Company or substantial changes in the composition of the parent company's Board. Amount to be payable is calculated based on latest remuneration of the year multiplied by number of years. Longevity bonus is recognised as liability at the present value of the defined benefit obligation using actuarial valuation at the Balance sheet date.

(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

(n) Financial instruments

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as financial assets at amortised cost (debt instruments). A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as borrowings, payables or other financial liabilities, as appropriate. All financial liabilities are recognised initially at fair value, net of directly attributable transaction costs.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified as financial liabilities at amortised cost (loans and borrowings).

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(o) Cash and cash equivalents

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

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

2.3 Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Revenue recognition - estimating variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(b) Leases - estimating the incremental borrowing rate (IBR)

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the company's credit rating).

(c) Provision for expected credit losses (ECLs) of trade receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for its customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(d) Defined benefit plan (post-employment gratuity)

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

(e) Useful lives of property, plant and equipment and intangible assets

Management reviews its estimate of the useful lives of property, plant and equipment and intangible assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment, right of use assets and intangible assets.

(f) Provision for warranties

The Company's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

(g) Deferred tax assets

Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimising measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED BENGALURU 562 110

MSKA & ASSOCIATES Chartered Accountants

(All amounts in INR lakhs, unless otherwise stated)

3 Property, plant and equipment

	Factory buildings	Plant, Machinery and equipment	Furniture and fixtures	Computers	Office equipment	Vehicles	Total
Gross block							
Balance as at April 1, 2022 (Note 3.1)	**858.27**	**334.35**	**14.05**	**12.33**	**24.51**	-	**1,243.51**
Additions (Including Transfer from CWIP)	61.11	655.56	18.78	6.59	3.98	-	746.02
Balance as at March 31, 2023	**919.38**	**989.91**	**32.83**	**18.92**	**28.49**	-	**1,989.53**
Additions (Including Transfer from CWIP)	784.03	1,655.13	15.78	27.70	3.04	88.81	2,574.49
Balance as at March 31, 2024	**1,703.41**	**2,645.04**	**48.61**	**46.62**	**31.53**	**88.81**	**4,564.02**
Accumulated depreciation							
Balance as at April 1, 2022	-	-	-	-	-	-	-
Depreciation for the year	41.16	100.56	8.15	5.99	7.34	-	**163.20**
Disposals	-	-	-	-	-		-
Balance as at March 31, 2023	**41.16**	**100.56**	**8.15**	**5.99**	**7.34**	-	**163.20**
Depreciation for the year	51.34	157.91	8.82	11.64	7.41	6.74	243.86
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2024	**92.50**	**258.47**	**16.97**	**17.63**	**14.75**	**6.74**	**407.06**
Net block							
Balance as at March 31, 2024	**1,610.91**	**2,386.57**	**31.64**	**28.99**	**16.78**	**82.07**	**4,156.96**
Balance as at March 31, 2023	**878.22**	**889.35**	**24.68**	**12.93**	**21.15**	-	**1,826.33**
Balance as at April 1, 2022	**858.27**	**334.35**	**14.05**	**12.33**	**24.51**	-	**1,243.51**

3.1 Deemed cost

The Company has elected to continue with the carrying value of its Property, Plant or Equipment recognised as of April 1, 2022 measured as per the Indian GAAP and used that carrying value as its deemed cost as on April 1, 2022 (Note 34).

3.2 Property, plant and equipment hypothecated as security

Refer to note 44 for information on property, plant and equipment hypothecated as security by the Company.

3.3 Contractual obligations

Refer to note 45 for details on contractual commitments for acquiring property, plant and equipment.

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

4 Capital work-in-progress (CWIP)

	Amount
Balance as at April 1, 2022	**302.53**
Additions	-
Transfers	(302.53)
Balance as at March 31, 2023	-
Additions	2,289.02
Transfers	(2,289.02)
Balance as at March 31, 2024	-

4.1 CWIP ageing schedule
As at March 31, 2024

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2023

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Total	-	-	-	-	-

As at April 1, 2022

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	80.35	222.18	-	-	302.53
Total	**80.35**	**222.18**	-	-	**302.53**

4.2 There are no projects as CWIP as at March 31, 2024, March 31, 2023 and April 1, 2022 whose completion is overdue or cost of which has exceeds in comparison to its original plan.

4.3 CWIP of INR 784.03 (March 31, 2023: INR 51.68 lakhs) has been capitalised under factory building, INR 1,490.43 (March 31, 2023: INR 250.86 lakhs) has been capitalised under plant and equipment and INR 14.56 has been capitalised under Furniture and Fixtures (March 31, 2023: Nil) during the year ended March 31, 2024.

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

5 Rigt-of-use assets/ Leases

5.1 The carrying amount of right-of-use assets recognised and the movements during the year are as follows:

	Land	Plant and equipment	Total
Gross block			
As at April 1, 2022	559.67	47.66	607.33
Additions during the year	-	-	-
As at March 31, 2023	559.67	47.66	607.33
Additions during the year			
As at March 31, 2024	559.67	47.66	607.33
Accumulated amortisation			
As at April 1, 2022	5.73	14.02	19.75
Amortisation for the year	5.73	33.64	39.37
As at March 31, 2023	11.46	47.66	59.12
Amortisation for the year	5.73	-	5.73
As at March 31, 2024	17.19	47.66	64.85
Net block as at April 1, 2022	553.94	33.64	587.58
Net block as at March 31, 2023	548.21	-	548.21
Net block as at March 31, 2024	542.48	-	542.48

5.2 The carrying amount of lease liabilities recognised and the movement during the year are as follows:

	Plant and equipment
As at April 1, 2022	36.12
Additions during the year	-
Interest expense on lease liabilities	1.32
Payments during the year	(37.44)
As at March 31, 2023	-
Additions during the year	-
Interest expense on lease liabilities	-
Payments during the year	-
As at March 31, 2024	-

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Non-current	-	-	-
Current	-	-	36.12

5.3 The following are the amounts recognised in profit or loss:

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on lease liabilities (Refer note 29)	-	1.32
Amortisation of right-of-use assets (Refer note 30)	5.73	33.64
Machinery rent (Short-term lease) (Refer note 32)	54.30	-

5.4 Amounts recognised in the statement of cash flows

	Year ended March 31, 2024	Year ended March 31, 2023
Total cash outflows with respect to leases	54.30	37.44
Total	54.30	37.44

5.5 Right-of-use assets hypothecated as security
Refer to note 44 for information on right-of-use assets hypothecated as security by the Company.

5.6 In right-of-use assets, the Company has taken land on lease from Karnataka Industrial Area Development Board (KIADB) for a period of 99 years.

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

6 Intangible assets

	Software
Gross block	
Balance as at April 1, 2022 (Note 6.1)	**16.06**
Additions	-
Balance as at March 31, 2023	**16.06**
Additions	62.88
Disposals	-
Balance as at March 31, 2024	**78.94**
Accumulated amortisation	
Balance as at April 1, 2022	**-**
Amortisation for the year	7.74
Balance as at March 31, 2023	**7.74**
Amortisation for the year	**9.69**
Balance as at March 31, 2024	**17.43**

Net block	
Balance as at March 31, 2024	**61.51**
Balance as at March 31, 2023	**8.32**
Balance as at April 1, 2022	**16.06**

6.1 Deemed cost

The Company has elected to continue with the carrying value of its intangible assets recognised as of April 1, 2022 measured as per the Indian GAAP and used that carrying value as its deemed cost as on April 1, 2022 (Note 34).

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

7 Other non-current financial assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
At amortised cost			
Security deposits	17.18	18.97	18.48
Bank deposits with remaining maturity more than 12 months	-	-	196.68
Total other non-current financial assets	**17.18**	**18.97**	**215.16**

Refer to note 36 for information about the Company's exposure to financial risks.

8 Other non-current assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Capital advances	844.88	-	-
Total other non-current assets	**844.88**	**-**	**-**

9 Inventories

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(At lower of cost or net realisable value)			
Raw materials (including packing materials)*	69.02	94.13	-
Work-in-progress	1,157.04	751.54	76.57
Finished goods	129.46	247.61	-
Total inventories	**1,355.52**	**1,093.28**	**76.57**

* Includes goods in transit of INR 66.56 lakhs (March 31, 2023: Nil and March 31, 2022: Nil)

9.1 Inventories hypothecated as security

Refer to note 44 for information on inventories hypothecated as security by the Company.

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED BENGALURU 562 110

MSKA & ASSOCIATES Chartered Accountants

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

10 Trade receivables

	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Considered good - unsecured		4,014.82	2,491.03	582.57
Less: Expected credit loss allowance	36.3	(12.73)	(1.78)	(0.03)
Less: Liquidated damages	36.3	(162.25)	(78.72)	(13.98)
Trade receivables - net		**3,839.84**	**2,410.53**	**568.56**
Amounts due from related parties out of the above trade receivables (Note 39)		-	-	-

10.1 Trade receivables ageing schedule
As at March 31, 2024

	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	1,335.76	2,650.96	26.52	1.45	0.13	-	4,014.82
Undisputed trade receivables - which have significant increase	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Sub total	**1,335.76**	**2,650.96**	**26.52**	**1.45**	**0.13**	**-**	**4,014.82**
Less: Expected credit loss allowance							(12.73)
Less: Liquidated damages							(162.25)
Total							**3,839.84**

As at March 31, 2023

	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	1,710.29	775.57		5.17	-	-	2,491.03
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Sub total	**1,710.29**	**775.57**	**-**	**5.17**	**-**	**-**	**2,491.03**
Less: Expected credit loss allowance							(1.78)
Less: Liquidated damages							(78.72)
Total							**2,410.53**

As at April 1, 2022

	Not Due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	510.42	71.95	0.20	-	-	-	582.57
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Sub total	**510.42**	**71.95**	**0.20**	**-**	**-**	**-**	**582.57**
Less: Expected credit loss allowance							(0.03)
Less: Liquidated damages							(13.98)
Total							**568.56**

10.2 There are no trade receivables which are either due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

10.3 Trade receivables are non-interest bearing and are generally on terms of 30 days.

10.4 Refer to note 36 for information about the Company's exposure to financial risks.

10.5 Trade Receivables hypothecated as security
Refer to note 44 for information on trade receivables hypothecated as security by the Company.

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

11 Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balances with banks:			
In current accounts	53.62	46.34	184.38
In EEFC accounts	149.51	32.00	53.65
Cash on hand	0.34	0.01	-
Total cash and cash equivalents	**203.47**	**78.35**	**238.03**

Refer to note 44 for information on cash and cash equivalents hypothecated as security by the Company and note 36 for information about the Company's exposure to financial risks.

12 Bank balances other than cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
At amortised cost			
Deposits with orginal maturity of more than 3 months and upto 12 months	-	-	159.02
Total bank balances other than cash and cash equivalents	**-**	**-**	**159.02**

Refer to note 44 for information on bank balances other than cash and cash equivalents hypothecated as security by the Company and note 36 for information about the Company's exposure to financial risks.

13 Other current financial assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
At amortised cost			
Interest accrued on deposits	-	0.24	-
Advances to employees	6.31	9.71	5.92
Advances to related parties (Note 39.3)	40.66	5.00	5.00
Bank deposits with original maturity of more than 12 months but remaining maturity is less than 12 months	1,948.70	513.01	107.00
Others	-	-	1.23
Total other current financial assets	**1,995.67**	**527.96**	**119.15**

Refer to note 44 for information on other current financial assets hypothecated as security by the Company and note 36 for information about the Company's exposure to financial risks.

14 Other current assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Advances to suppliers (Refer note below)	556.20	109.48	10.90
Balances with government authorities	82.36	77.54	35.00
Prepaid expenses	44.73	13.73	0.92
Total other current assets	**683.29**	**200.75**	**46.82**

14.1 Refer to note 44 for information on other current assets hypothecated as security by the Company.
14.2 Advances to suppliers includes Advances to related party of INR 40.66 lakhs (March 31, 2023: Nil, April 1, 2022: Nil)

MSKA & ASSOCIATES ★ Chartered Accountants ★

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

15 Equity share capital

	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorised :						
Equity shares of INR 100 each (2023: INR 100 each, 2022: INR 100 each)	2,00,000	200.00	2,00,000	200.00	10,000	10.00
	2,00,000	200.00	2,00,000	200.00	10,000	10.00
Issued, subscribed and paid-up :						
Equity shares of INR 100 each, fully paid-up (2023: INR 100 each, 2022: INR 100 each)	1,01,000	101.00	1,01,000	101.00	1,000	1.00
Total	1,01,000	101.00	1,01,000	101.00	1,000	1.00

15.1 Reconciliation of equity shares outstanding at the beginning and at the end of the year

Equity shares	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	1,01,000	101.00	1,000	1.00	1,000	1.00
Add: Issued during the year	-	-	1,00,000	100.00	-	-
Outstanding at the end of the year	1,01,000	101.00	1,01,000	101.00	1,000	1.00

(a) Increase in authosied share capital
Pursuant to the resolution dated September 20, 2022, Company increased authorized share capital of the Company from INR 10.00 lakhs to INR 200.00 lakhs by addtional creation 1,90,000 equity share of INR 100 each.

(b) Issue of equity shares
Pursuant to the resolution dated November 8, 2022, Company issued 1,00,000 equity shares of INR 100 each to Unimech Aerospace and Manufacturing Private Limited (Formerly known as Unimech Aerospace and Manufacturing Private Limited)

15.2 Rights, preferences and restrictions attached to equity shares
Equity shares have a face value of INR 100 each holder of equity shares is entitled to participate in dividends. The dividend proposed by the board of directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts and distribution will be in proportion to the number of equity shares held by the shareholders.

15.3 Equity shares held by holding company/ultimate holding company

	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Unimech Aerospace and Manufacturing Limited (Formerly known as Unimech Aerospace and Manufacturing Private Limited Limited) - Holding Company						
Equity shares of INR 100 each fully paid-up	1,00,999	101.00	1,00,999	101.00	999	1.00

15.4 Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2024			As at March 31, 2023			As at April 1, 2022		
	Number of shares	% of holding in the class	Amount	Number of shares	% of holding in the class	Amount	Number of shares	% of holding in the class	Amount
Unimech Aerospace and Manufacturing Limited (Formerly known as Unimech Aerospace and Manufacturing Private Limited Limited)									
Equity shares of INR 100 each fully paid-up	1,00,999	99.99%	100.999	1,00,999	99.99%	101.00	999.00	99.90%	1.00

15.5 Aggregate number of shares issued pursuant to contract without payment being received
There are no such shares issued, allotted or bought back during the period of five years immediately preceding the reporting date.

15.6 Shares reserved for issue under options and contracts or commitments of the sale of shares or disinvestment, including the terms and amounts
There are no shares reserved for issue under any options and contracts or commitments of the sale of shares or disinvestment.

15.7 Details of equity shares held by promoters at the end of the year

Promoter name	As at March 31, 2024			As at March 31, 2023			As at April 1, 2022		
Equity shares of INR 100 each fully paid-up	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Unimech Aerospace and Manufacturing Private Limited (Formerly known as Unimech Aerospace and Manufacturing Private Limited)	1,00,999	99.99%	-	1,00,999	99.99%	0.09%	999	99.90%	0.00%
Anil Kumar Puthan*	1	0.01%	-	1	0.01%	0.00%	1	0.10%	0.00%
Total	1,01,000	100.00%	-	1,01,000	100.00%	0.09%	1,000	100.00%	0.00%

* Held as nominee on behalf of Unimech Aerospace and Manufacturing Private Limited (Formerly known as Unimech Aerospace and Manufacturing Private Limited)

(All amounts in INR lakhs, unless otherwise stated)

16 Other equity

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Reserves and surplus			
Retained earnings (Note 16.1(i))	8,212.54	2,577.33	619.28
Contribution from parent (Note 16.1(ii))	72.82	158.34	103.33
Total other equity	**8,285.36**	**2,735.67**	**722.61**

16.1 Movement in reserves and surplus

		As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(i)	**Retained earnings**			
	Opening balance	2,577.33	619.28	163.37
	Profit for the year	5,639.14	2,141.32	456.11
	Items of OCI recognised directly in retained earnings			
	Remeasurements of defined benefit plans (net of tax)	(3.93)	(183.27)	(0.20)
	Closing balance	**8,212.54**	**2,577.33**	**619.28**
(ii)	**Contribution from parent**			
	Opening balance	158.34	103.33	19.40
	Fair value of financial guarantees received from the parent company	(85.52)	55.01	83.93
	Closing balance	**72.82**	**158.34**	**103.33**

16.2 Nature and purpose of items in other equity

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions to shareholders.

Contribution from parent

This represents the fair value of financial guarantee received by the Company from its parent company for availing credit facilities from banks / financial institutions.

17 Non-current borrowings

	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Secured				
Term loans				
From banks				
Indian Rupee loans	17.1(i)	253.26	12.50	22.50
USD loans	17.1(ii)	1,530.07	532.63	497.78
From a financial institution	17.1(iii)	-	94.48	149.38
Less: Current maturities of long term debts		(531.57)	(280.60)	(256.50)
Total non-current borrowings		**1,251.76**	**359.01**	**413.16**

The details of financial and non-financial assets hypothecated as security for borrowings are disclosed in Note 44.

Refer to note 36 for information about the Company's exposure to financial risks.

17.1 Security details and terms of repayment

		No. of instalments remaining as at March 31, 2024	Maturity date as at March 31, 2024	Interest rate (p.a.) as at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(i)	**Indian rupee term loans from banks**						
	-Secured by way of hypothecation of current assets of the firm both present and future	N.A.	N.A.	Repo+3.85%	-	12.50	22.50
					-	**12.50**	**22.50**

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

		No. of instalments remaining as at March 31, 2024	Maturity date as at March 31, 2024	Interest rate (p.a.) as at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(ii)	**USD term loans from banks**						
	-Secured by way of hypothecation on entire present and future movable fixed asset of the Company	17	August 2025	Secured overnight financing rate plus 100 basis points	246.89	375.30	497.78
		44	November 2027		142.04	157.63	-
	-Secured by way of hypothecation of of asset created out of term loans	54	September 2028	Secured overnight financing rate plus 100 basis	663.13	-	-
		60	November 2028	Repo+1.6%	253.26	-	-
		57	December 2028	Secured overnight financing rate plus 100 basis	478.01	-	-
	-Secured by way of hypothecation of Company's entire current asset both present and future	N.A.	Payable within 180 days	180 days Repo + 1.5% i.e., 8%	901.50	1,137.28	531.16
	-Secured by way of hypothecation of of asset created out of term loans	N.A.	June 2024	Repo+1.6%	0.67		
					2,685.50	**1,670.21**	**1,028.94**
(iii)	**Indian Rupee term loans from a financial institution**						
	-Secured by way of hypothecation of of CNC vertical machining center	N.A.	N.A.	10.50%	-	94.48	134.05
		N.A.	N.A.	10.15%	-	-	15.33
					-	**94.48**	**149.38**

Note - In th above disclosure of Security details and terms of repayment - Borrowings are adjusted for fair value of guarantees issued by the parent company to various Banks and Financial Institutions for borrowings availed by Innomech Aerospace Toolings Private Limited.

(iv)	**Loan from a related party**						
	-Unsecured loan from a related party	N.A.	Repayable on demand	6.00%		517.11	684.85
					-	**517.11**	**684.85**

18	Current borrowings	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
	Secured				
	Term loans				
	From banks				
	Indian Rupee loans	18.1(i)	902.17	-	-
	USD loans	18.1(ii)	-	1,137.28	531.16
	Current maturities of long term debts		531.57	280.60	256.50
	Unsecured				
	Loan from a related party - Repayable on demand (Note 38.3)	18.1(iii)	-	517.11	684.85
	Total current borrowings		**1,433.74**	**1,934.99**	**1,472.51**

The details of financial and non financial assets hypothecated as security for borrowings are disclosed in Note 44.

Refer to note 36 for information about the Company's exposure to financial risks.

(All amounts in INR lakhs, unless otherwise stated)

18.2 Net debt reconciliation

Particulars	Borrowings	Lease liabilities	Total
Net debt as at April 01, 2022	**1,885.67**	**36.12**	**1,921.79**
Principal paid on lease liabilities	-	(37.44)	(37.44)
Interest paid on lease liabilities	-	1.32	1.32
Proceeds from borrowings	5,020.79	-	5,020.79
Interest paid on borrowings	(136.52)	-	(136.52)
Repayment of borrowings	(4,629.13)	-	(4,629.13)
Non-cashflows			
Interest expense	136.52	-	136.52
Guarantee commission expense	(11.41)	-	(11.41)
Effects of changes in foreign exchange rates	28.90	-	28.90
Prepaid loan processing charges adjusted through EIR	(1.64)	-	(1.64)
Adjustment of security deposit paid for borrowing	0.82	-	0.82
Net debt as at March 31, 2023	**2,294.00**	**-**	**2,294.00**
Proceeds from borrowings	5,164.27	-	5,164.27
Interest paid on borrowings	(196.59)	-	(196.59)
Repayment of borrowings	(4,865.39)	-	(4,865.39)
Non-cashflows			
Interest expense	196.59	-	196.59
Guarantee commission expense	85.52	-	85.52
Effects of changes in foreign exchange rates	7.27	-	7.27
Prepaid loan processing charges adjusted through EIR	(0.17)	-	(0.17)
Net debt as at March 31, 2024	**2,685.50**	**-**	**2,685.50**

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

19 Trade payables

	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Total outstanding dues of micro enterprises and small enterprises	19.1	149.45	126.47	57.77
Total outstanding dues of creditors other than micro enterprises and small enterprises		627.46	436.47	640.17
Total trade payables		776.91	562.94	697.94
Amounts due to related parties out of the above trade payables	39.3	-	33.17	513.63

Refer to note 36 for information about the Company's exposure to financial risks.

19.1 MSMED disclosure

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:			
Principal	147.64	126.03	57.36
Interest	1.81	0.44	0.41
Total	149.45	126.47	57.77
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.96	0.02	0.41
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	1.81	0.44	0.41

19.2 Trade payables ageing schedule

As at March 31, 2024

	Unbilled	Payables not 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	3.47	112.45	33.53	-	-	-	149.45
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	212.59	214.52	198.37	1.98			627.46
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**216.06**	**326.97**	**231.90**	**1.98**	-	-	**776.91**

As at March 31, 2023

	Unbilled	Payables not 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	18.46	107.25	0.76	-	-	-	126.47
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	105.35	244.12	81.36	5.64	-	-	436.47
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**123.81**	**351.37**	**82.12**	**5.64**	-	-	**562.94**

As at April 1, 2022

	Unbilled	Payables not 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	2.99	52.06	2.72	-	-	-	57.77
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	14.14	557.44	48.08	20.51	-	-	640.17
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**17.13**	**609.50**	**50.80**	**20.51**	-	-	**697.94**

19.3 Trade payables are non-interest bearing and are normally settled on 30-60 days.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

20 Other current financial liabilities

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Employee benefits payable	156.52	194.75	29.39
Captial creditors	68.21	-	-
Other payables	1.38	1.13	-
Total other current financial liabilities	**226.11**	**195.88**	**29.39**

Refer to note 36 for information about the Company's exposure to financial risks.

21 Provisions

	Non-current			Current		
	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Provision for rework costs and warranty (Note 21.1)	-	-	-	187.00	70.47	25.86
Provision for employee benefits						
Provision for gratuity (Note 38.2(b))	-	8.56	2.98	15.55	0.01	-
Provision for compensated absences	-	-	-	28.72	12.10	3.27
Provision for longevity bonus	-	477.08	91.13	1,284.33	0.76	0.12
Provision for litigations	-	-	-	320.43	-	-
Total provisions	**-**	**485.64**	**94.11**	**1,836.03**	**83.34**	**29.25**

21.1 Movement in provision for warranties

	Amount
As at April 1, 2023	70.46
Provision charged to profit and loss	119.83
Provisions utilised/reversed during the year	(3.29)
Balance as at March 31, 2024	**187.00**

	Amount
As at April 1, 2022	25.86
Provision charged to profit and loss	58.83
Provisions utilised/reversed during the year	(14.23)
Balance as at March 31, 2023	**70.46**

22 Other current liabilities

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Statutory dues	41.83	51.85	25.71
Total other current liabilities	**41.83**	**51.85**	**25.71**

23 Tax Assets and Liabilities

23(a) Current tax assets (net)

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Advance tax (including TDS receivables)	1,620.00	-	-
Less:Current tax payable	(1,376.39)	-	-
Total current tax assets (net)	**243.61**	**-**	**-**

23(b) Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Current tax payable	-	547.00	105.85
Less: Advance tax (including TDS receivables)	-	(358.36)	(7.33)
Total current tax liabilities (net)	**-**	**188.64**	**98.52**

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

24 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
Sale of products	18,612.30	6,660.75
Sale of Services	27.09	248.62
	18,639.39	**6,909.37**
Other operating revenue	13.91	12.24
Total revenue from operations	**18,653.30**	**6,921.61**

Nature of products

	Year ended March 31, 2024	Year ended March 31, 2023
Aerospace components and tools	18,612.30	6,660.75
Total	**18,612.30**	**6,660.75**

Nature of Services

	Year ended March 31, 2024	Year ended March 31, 2023
Upgradation and rework services	27.09	248.62
Total	**27.09**	**248.62**

Nature of other operating revenue

	Year ended March 31, 2024	Year ended March 31, 2023
Scrap sales	13.91	12.24
Total	**13.91**	**12.24**

24.1 Disaggregated revenue information

Geographic revenue

	Year ended March 31, 2024	Year ended March 31, 2023
Within India	26.36	58.09
Outside India	18,626.94	6,851.28
Total	**18,653.30**	**6,909.37**

Timing of revenue recognition

	Year ended March 31, 2024	Year ended March 31, 2023
Products and services transferred at a point in time	18,653.30	6,921.61
Total	**18,653.30**	**6,921.61**

24.2 Reconciliation of contract price with revenue during the year

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contract price	18,739.85	6,992.91
Adjustments:		
- Sales Return	(3.03)	(6.56)
- Liquidated damages	(83.52)	(64.74)
Revenue from contracts with customers	**18,653.30**	**6,921.61**

24.3 Performance obligation

Sale of products:

The performance obligation with respect to sale of products is satisfied at a point in time that is the when control over the goods is transferred to the customers, generally on the delivery of the goods at the agreed destination as per the terms of contract with customers.

Sale of services:

The performance obligation with respect to sale of services is satisfied at a point in time by measuring the progress towards complete satisfaction of performance obligations during the reporting period.

(All amounts in INR lakhs, unless otherwise stated)

25 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income		
On fixed deposits at amortised cost	119.70	22.50
Unwinding of security deposit at amortised cost	-	0.77
Gains on foreign exchange transactions (net)	263.60	-
Miscellaneous income	2.59	4.55
Total other income	**385.89**	**27.82**

26 Cost of materials consumed

	Year ended March 31, 2024	Year ended March 31, 2023
Inventories of raw materials at the beginning of the year	94.13	-
Add: Purchases	4,105.19	2,516.95
Less: Inventories of raw materials at the end of the year	(69.02)	(94.13)
Total cost of materials consumed	**4,130.30**	**2,422.82**

Refer to note 39.2 for purchases from related parties.

27 Changes in inventories of finished goods and work-in-progress

	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
-Work-in-progress	751.54	76.57
-Finished goods	247.61	-
	999.15	**76.57**
Less: Inventories at the end of the year		
-Work-in-progress	1,157.04	751.54
-Finished goods	129.46	247.61
	1,286.50	**999.15**
Net decrease/ increase	**(287.35)**	**(922.58)**

28 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	2,278.76	870.71
Contribution to provident and other funds [(refer note 38(a)]	33.32	22.84
Gratuity Expenses [refer note 38(b)]	11.73	5.44
Staff welfare expenses	115.36	23.02
Total employee benefits expense	**2,439.17**	**922.01**

29 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on borrowings at amortised cost	196.59	136.52
Interest on lease liabilities	-	1.32
Guarantee commission expenses	210.00	43.60
Interest on income tax	-	34.57
Interest on delayed payments to micro enterprises and small enterprises	0.96	0.02
Total finance costs	**407.55**	**216.03**

Refer to note 39.2 for interest on borrowings from related parties.

30 Depreciation and amortisation expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	243.86	163.20
Amortisation of lease hold land	5.73	5.73
Amortisation on right-of-use assets	-	33.64
Amortisation on intangible assets	9.69	7.74
Total depreciation and amortisation expenses	**259.28**	**210.31**

31 Subcontracting charges

	Year ended March 31, 2024	Year ended March 31, 2023
Subcontracting charges	2,521.67	469.43
Total subcontracting charges	**2,521.67**	**469.43**

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

32 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Stores and spares	138.90	77.30
Machinery rent (Short-term lease)	54.30	-
Utilities	100.84	67.37
Repairs and maintenance		
- Factory and Building	21.93	32.94
- Plant and machineries	26.63	10.61
-Others	25.30	1.38
Printing and stationery	9.61	5.36
Security charges	29.47	15.57
Manpower contract expenses	452.76	60.91
Information technology expenses	-	5.93
Insurance	18.11	2.53
Legal and professional charges	1,000.31	451.73
Audit fees	9.00	2.75
Sales promotion expenses	-	1.07
Expected credit loss allowance	10.94	1.75
Travelling and conveyance	86.88	31.43
Communication expenses	3.66	3.85
Rates and taxes	21.12	17.68
Bank charges	6.70	10.35
Office expenses	0.73	-
Rework and warranty costs	119.83	58.83
Bad debts	5.66	-
CSR expenses (refer note 46)	27.48	-
Recruitment expenses	12.40	-
Loss on foreign exchange transactions (net)	-	11.69
Miscellaneous expenses	6.84	10.98
Total other expenses	**2,189.40**	**882.01**

32.1 The following is the break-up of audit fees (exclusive of goods and service tax)

	Year ended March 31, 2024	Year ended March 31, 2023
Audit fee		
As auditor:		
Statutory audit	9.00	1.75
Tax audit and others	-	1.00
Total audit fee	**9.00**	**2.75**

33 Income tax

33.1 Income tax expense charged to the statement of profit or loss

	Year ended March 31, 2024	Year ended March 31, 2023
- Current tax	1,475.23	485.37
- Current tax - Previous year adjustment	285.51	-
	1,760.74	**485.37**
- Deferred tax	(22.03)	61.07
Income tax expense reported in the statement of profit or loss	**1,738.71**	**546.44**

33.2 Reconciliation of tax charge

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	7,379.17	2,749.40
Income tax expense at tax rates applicable	25.17%	25.17%
Expected income tax expense/ (benefit) at statutory tax rate	**1,857.34**	**692.02**
Tax effects of:		
Adjustments for current tax of prior periods	285.51	-
Income tax relating to remeasurements of post-employment defined benefit plans	1.32	61.64
Interest on income tax	-	8.70
Other adjustments	(405.46)	(215.92)
Income tax expense	**1,738.71**	**546.44**

33.3 Deferred tax relates to the following:

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Deferred tax assets			
Property, plant and equipment and intangible assets	8.33	-	47.33
	8.33	-	**47.33**
Deferred tax liabilities			
Property, plant and equipment and intangible assets		(13.74)	-
	-	(13.74)	-
Deferred tax assets (net)	**8.33**	**(13.74)**	**47.33**

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Unused tax credits for which no deferred tax asset is recognised			
Minimum alternate tax credit	1,741.81	552.69	100.49

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

34 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101:

34.1 Effect of Ind AS adoption on the balance sheet as at March 31, 2023:

		As at March 31, 2023				As at April 1, 2022			
	Notes	Indian GAAP	Other Adjustments	Effect of transition to Ind AS	Ind AS	Indian GAAP	Other Adjustments	Effect of transition to Ind AS	Ind AS
Assets									
Non-current assets									
Property, plant and equipment	g	2,394.12	(567.79)	-	1,826.33	1,811.28	(567.77)	-	1,243.51
Capital work-in-progress		-	-	-	-	302.53	-	-	302.53
Right of use assets	a,i	-	548.21	-	548.21	-	587.58	-	587.58
Other intangible assets	g	8.33	(0.01)	-	8.32	16.06	-	-	16.06
Financial assets		-							
Other financial assets	b	-	20.77	(1.80)	18.97	-	217.73	(2.57)	215.16
Deferred tax assets (net)	h	106.17	(106.17)	-	-	-	47.33	-	47.33
Long-term loans and advances	b,g	115.66	(115.66)	-	-	-	-		-
Other non-current assets	g	27.82	(27.82)	-	-	41.27	(41.27)	-	-
Total non-current assets		**2,652.10**	**(248.47)**	**(1.80)**	**2,401.83**	**2,171.14**	**243.60**	**(2.57)**	**2,412.17**
Current Assets									
Inventories	g	935.72	157.56	-	1,093.28	63.20	13.37		76.57
Financial assets					-				-
Trade receivables	c	2,896.41	(484.10)	(1.78)	2,410.53	584.29	(15.70)	(0.03)	568.56
Cash and cash equivalents	g	591.37	(513.02)	-	78.35	686.26	(448.23)	-	238.03
Bank balances other than cash and cash equivalents	g	-	-	-	-	-	159.02	-	159.02
Other financial assets	g	-	527.96	-	527.96	-	119.15	-	119.15
Short-term loans and advances	b,g	548.35	(548.35)		-	41.63	(41.63)	-	-
Other current assets	g	13.65	187.10	-	200.75	102.89	(66.97)	10.90	46.82
Total current assets		**4,985.50**	**(672.85)**	**(1.78)**	**4,310.87**	**1,478.27**	**(280.99)**	**10.87**	**1,208.15**
Total assets		**7,637.60**	**(921.32)**	**(3.58)**	**6,712.70**	**3,649.41**	**(37.39)**	**8.30**	**3,620.32**

		As at March 31, 2023				As at April 1, 2022			
		Indian GAAP	Other Adjustments	Effect of transition to Ind AS	Ind AS	Indian GAAP	Other Adjustments	Effect of transition to Ind AS	Ind AS
Equity and liabilities									
Equity									
Equity share capital		101.00			101.00	1.00	-	-	1.00
Other equity	a to i	3,031.67	(425.77)	129.77	2,735.67	585.92	76.56	60.13	722.61
Total equity		**3,132.67**	**(425.77)**	**129.77**	**2,836.67**	**586.92**	**76.56**	**60.13**	**723.61**
Liabilities									
Non-current liabilities									
Financial liabilities									
Borrowings	e,f,g	442.55	(7.55)	(75.99)	359.01	706.55	(217.99)	(75.40)	413.16
Lease liabilities	a	-	-	-	-	-	-	-	-
Provisions	d,g,h	659.82	(174.18)	-	485.64	286.88	(192.77)	-	94.11
Deferred tax liabilities (net)	g	-	13.74	-	13.74	47.92	-	(47.92)	-
Total non-current liabilities		**1,102.37**	**(167.99)**	**(75.99)**	**858.39**	**1,041.35**	**(410.76)**	**(123.32)**	**507.27**
Current liabilities									
Financial liabilities									
Borrowings	e,f,g	1,951.24	(1.03)	(15.22)	1,934.99	1,216.44	259.65	(3.58)	1,472.51
Lease liabilities	a	-			-	-	36.12	-	36.12
Trade payables									
Total outstanding dues of micro enterprises and small enterprises	g	-	126.47	-	126.47	-	57.77		57.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	g	293.35	143.12	-	436.47	668.26	(28.09)	-	640.17
Other financial liabilities	g	-	195.88	-	195.88	-	29.39	-	29.39
Provisions	d,g,h	869.43	(786.09)	-	83.34	102.65	(73.40)	-	29.25
Other current liabilities	g	288.54	(236.69)	-	51.85	33.79	(8.08)	-	25.71
Current tax liabilities (net)	g	-	188.64	-	188.64	-	98.52	-	98.52
Total current liabilities		**3,402.56**	**(369.70)**	**(15.22)**	**3,017.64**	**2,021.14**	**371.88**	**(3.58)**	**2,389.44**
Total liabilities		**4,504.93**	**(537.69)**	**(91.21)**	**3,876.03**	**3,062.49**	**(38.88)**	**(126.90)**	**2,896.71**
Total equity and liabilities		**7,637.60**	**(963.46)**	**38.56**	**6,712.70**	**3,649.41**	**37.68**	**(66.77)**	**3,620.32**

The Indian GAAP figures has been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

(All amounts in INR lakhs, unless otherwise stated)

34.2 Reconciliation of total equity as at March 31, 2023 and April 1, 2022

	Notes	As at March 31, 2023	As at April 1, 2022
Total equity under Indian GAAP		3,031.67	585.92
Adjustments:			
Remeasurements of post-employment benefit obligations	d	244.90	-
Interest expense on Lease Liabilities	a	(2.68)	(1.36)
Amortisation of prepaid loan processing charges through EIR method	e	2.47	1.65
Amortisation on Right-of-use assets	a	(67.23)	(27.86)
Unwinding of security deposits	b	1.42	0.65
Effect of Lease payments during the year	a	50.34	12.90
Expected credit loss allowance	c	(1.78)	(0.03)
Guarantee commission expenses	f	(72.82)	(29.22)
Remeasurements of post-employment benefit obligations through other comprehensive income	d	(244.90)	0.00
On recognition of corporate gurantee received from parent	f	158.34	103.33
Deferred tax adjustments	g	61.71	0.07
Other adjustments	h	(425.77)	76.56
Total adjustment to equity		(296.00)	136.69
Total equity under Ind AS		2,735.67	722.61

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED
BENGALURU
562 110

(All amounts in INR lakhs, unless otherwise stated)

34.3 Effect of Ind AS adoption in the statement of profit and loss for the year ended March 31, 2023:

	Notes	Year ended March 31, 2023			
		Indian GAAP	Other Adjustments	Effect of transition to Ind AS	Ind AS
Income					
Revenue from operations	h	7,402.45	(480.84)	-	6,921.61
Other income	b,f	22.50	4.55	0.77	27.82
Total Income		7,424.95	(476.30)	0.77	6,949.43
Expenses					
Cost of materials consumed	g,h	2,949.51	(449.39)	-	2,500.12
Changes in inventories of finished goods and work-in-progress	g,h	(801.60)	(120.98)		(922.58)
Other direct costs	g,h	-	469.43	-	469.43
Employee benefits expense	d,g,h	1,468.87	(301.96)	(244.90)	922.01
Finance costs	a,e,f	123.09	48.86	44.09	216.03
Depreciation and amortisation expense	a,i,g,h	170.94	-	39.37	210.31
Other expenses	a,c,g,h	629.01	211.39	(35.69)	804.71
Total expenses		4,539.82	(142.66)	(197.13)	4,200.03
Profit before tax		2,885.13	(333.64)	197.90	2,749.40
Income tax expense/(credit)					
Current tax	h	593.37	(108.01)		485.37
Deferred tax	h	(154.00)	276.71	-	122.71
Total		439.37	168.70	-	608.08
Profit for the year		2,445.75	(502.34)	197.90	2,141.32
Other comprehensive income					
Items that will be reclassified subsequently to profit and loss					
Deferred tax on transition to Ind AS		-		-	
		-		-	-
Items that will not be reclassified subsequently to statement of profit and loss					
Remeasurement of post-employement defined benefit plans	e	-	-	(244.91)	(244.91)
Income tax effect on above		-	-	61.64	61.64
Other comprehensive income for the year				(183.26)	(183.27)
Total comprehensive income for the year		2,445.75	(502.34)	14.64	1,958.05

Reconciliation of total comprehensive income for the period ended March 31, 2023

	Notes	Year ended March 31, 2023
Profit as per Indian GAAP		2,445.75
Adjustments:		
Remeasurements of post-employment benefit obligations	d	244.91
Interest expense on Lease Liabilities	a	(1.32)
Amortisation of prepaid loan processing charges through EIR method	e	0.82
Depreciation on Right-of-use assets	a,i	(39.37)
Unwinding of security deposits	b	0.77
Expected credit loss allowance	c	(1.75)
Effect of Lease payments during the year	a	37.44
Guarantee commission expenses	f	(43.60)
Remeasurements of post-employment benefit obligations through other comprehensive income	d	(244.91)
Deferred tax adjustments	h	61.64
Other audit adjustments	h	(502.33)
		(487.70)
Total comprehensive income under Ind AS		1,958.05

Note:
Under Indian GAAP, total comprehensive income was not reported. Thus the above reconciliation starts with the profit under the Indian GAAP.

(a) Lease Liability and ROU assets

Under Indian IGAAP, Leases were classified as operating leases and lease rentals under operating leases were recognised in the profit or loss on a straight line basis over the lease term.
Company as a Lessee
As per Ind AS 116, Leases finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. Each lease (as lessee) payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Further, lessee shall recognise a ROU asset and Lease Liability. The Company has adopted modified retrospective approach on the date of transition in arriving at the ROU asset and lease liability.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(b) Security deposits

Under the Indian GAAP, interest free security deposits for borrowings (that are refundable in cash on completion of the borrowings term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value using Effective Interest Rate (EIR) method at initial recognition. Accordingly, the Comapny has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid expenses. On this fair valued deposit, interest is accounted annually at EIR which will have an incremental impact on the interest income and security deposit every year. Further, portion of security deposit is shown as other Intangible Asset which will be amortised over the period of concession on straight line basis every year.

(c) Expected credit loss

Under Indian GAAP, the provision was made when the receivable turned doubtful based on the assessment on case to case basis. Under Ind AS, the Company has to provide loss allowance on receivables based on the Expected Credit Loss (ECL) model which is measured following the "simplified approach". The Company uses an allowance matrix to measure the expected credit losses of trade receivables.The loss rates are computed using a 'roll rate' method based on the probability of receivable progressing through successive stages till full provision for the trade receivable is made. Currently Company is not recognising any provision as per IGAAP.

(d) Remeasurements of post-employment benefit plans

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, were charged to the profit and loss. Under Ind AS, re-measurements [comprising of actuarial gains and losses] are recognised through OCI.

(e) Borrowings

Under Indian GAAP borrowings are recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognised at fair value using Effective Interest Rate (EIR) method at initial recognition. Accordingly, the Comapny has fair valued these borrowings under Ind AS. Difference between the fair value and transaction value of the borrowings has been recognised as prepaid loan processing charges which has been adjusted to borrowings. These prepaid loan processing charges are amortised over the term of the borrowings at EIR which will have an incremental impact on the finance cost and prepaid loan processing charges every year.

(f) Corporate guarantee

Under Indian GAAP there is no specific accounting guidance for corporate guarantee transactions among the group companies are not recognised except such transactions are disclosed. However under Ind AS such transactions are recognised as per Ind AS 109. In the given Comapany has received guarantee from its Parent Company against various borrowings accepted by it. On the date of transition, impact has been given to other equity and corresponding impact has been given to corresponding borrowing amount. During the year for the additional corpoarate guarantees has been recognised as reserve for finacial guarantee and corresponding impact has been given to respective borrowings.

(g) Material Regrouping and adjustments

Appropriate regroupings and other adjustments have ben made in the standalone balance sheet, standalone statement of profit & loss, standalone statement of cashflows, wherever required, by reclassification and adjustments of corresponding items of incomes, expenses, assets, liabiltiies and cashflows, in order to bring them in line with the accounting policies and classification as per Ind AS standalone financial statements of the Company for the years ended March 31, 2023 and April 1, 2022 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations 2018, as amended.

(h) Prior Period Adjustments

The Company has certain accruals of Employee benefit expenses, Deferred tax and restatement of forex balances which were not accounted in the year when the expense / restatement was incurred. During the current year, on transition to Ind AS, the Company has rectifed these errors by restating the transition date balance sheet as at April 1, 2022. Refer note 34.2

(i) Leasehold land

Under previous GAAP, leasehold land was recognised as part of PPE . However, as per Ind AS 116 it is accounted for as finance lease for the arrangements that satisfy the conditions for classification as finance lease. During the year ended March 31, 2023, Amortisation impact of land leases has recognised in the statement of profit and loss.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED
BENGALURU
562 110

(All amounts in INR lakhs, unless otherwise stated)

35 Fair value measurements

35.1 The carrying amounts of financial assets and liabilities by categories

At amortised cost

Particulars	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Financial assets				
Trade receivables	10	3,839.84	2,410.53	568.56
Cash and cash equivalents	11	203.47	78.35	238.03
Bank balances other than cash and cash equivalents	12	-	-	159.02
Other financial assets (non-current)	7	17.18	18.97	215.16
Other financial assets (current)	13	1,995.67	527.96	119.15
Total financial assets		**6,056.16**	**3,035.81**	**1,299.92**
Financial liabilities*				
Borrowings (non-current)	17	1,251.76	359.01	413.16
Borrowings (current)	18	1,433.74	1,934.99	1,472.51
Trade payables	19	627.46	436.47	640.17
Other financial liabilities	20	226.11	195.88	29.39
Total financial liabilities		**3,539.07**	**2,926.35**	**2,555.23**

*Excluding lease liabilities

35.2 Fair value hierarchy

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

35.3 Methods and assumptions

The management assessed that the fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables, borrowings and other financial liabilities approximate the carrying amount largely due to short-term maturity of these financial instruments.

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

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36 Financial risk management objectives and policies

36.1 The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

36.2 Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of the financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings. The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and interest rate risk. Thus the Company's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed borrowings amounting to INR Nil (March 31, 2023: INR 611.59 lakhs, April 1, 2022: INR 834.23 lakhs) and variable rate borrowings amounting to INR 2,685.50 lakhs (March 31,2023: INR 1,682.41 lakhs, April 1, 2022: INR 1,051.44 lakhs).

Interest rate sensitivity

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

Particulars	As at	Closing balance	Effect on profit before tax	
			1% Increase	1% Decrease
Varaiable rate borrowings	March 31, 2024	2,685.50	26.85	(26.85)
Varaiable rate borrowings	March 31, 2023	1,682.71	16.83	(16.83)
Varaiable rate borrowings	April 1, 2022	1,051.44	10.51	(10.51)

(b) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Foreign currency sensitivity

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Amount in Foreign currency	Amount	Amount in Foreign currency	Amount	Amount in Foreign currency	Amount
USD receivable	48.13	4,010.99	30.24	2,484.41	7.53	568.61
USD payable	20.83	(1,736.26)	(550.34)	(45,210.31)	(14.55)	(1,098.81)
GBP receivable	-	-	-	-	0.07	6.98
GBP payable	-	-	(0.00)	(0.07)	-	-
EURO payable	-	-	(0.00)	(0.35)	-	-

Foreign currency sensitivity

Particulars	Impact on profit before tax	
	Year ended March 31, 2024	Year ended March 31, 2023
USD sensitivity		
INR/USD - increase by 1%	22.75	(427.26)
INR/USD - decrease by 1%	(22.75)	427.26
GBP sensitivity*		
INR/GBP - increase by 1%	-	(0.00)
INR/GBP - decrease by 1%	-	0.00
EURO sensitivity*		
INR/EURO - increase by 1%	-	(0.00)
INR/EURO - decrease by 1%	-	0.00

* GBP sensitivity and EURO sensitivity impact for the year ended March 31, 2023 is below the rounding off norm adopted by the Company.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

36.3 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables, deposits, cash held with banks and financial institutions. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company does not foresee any credit risks on other financial assets.

To manage the credit risks arising from customers, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivables.

The movement in expected credit loss is as follows

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Opening balance	1.78	0.03	-
Changes in loss allowance:			
Loss allowance based on expected credit loss	10.95	1.75	0.03
Closing balance	12.73	1.78	0.03

The movement in provision for liquidated damages is as follows :

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Opening balance	78.72	13.98	-
Changes during the year	83.53	64.74	13.98
Closing balance	162.25	78.72	13.98

36.4 Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company manages liquidity risk by maintaining sufficient cash and by having access to funding through an adequate amount of committed credit lines. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

As at March 31, 2024

Particulars	Notes	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	Total
Current borrowings	18	1,433.74	1,433.74	-	-	1,433.74
Non-current borrowings	17	1,251.76	-	1058.80	196.00	1,254.80
Lease liabilities	5	-	-	-	-	-
Trade payables	19	776.91	776.91	-	-	776.91
Other financial liabilities	20	226.11	226.11	-	-	226.11
Total		3,688.52	2,436.76	1,058.80	196.00	3,691.56

As at March 31, 2023

Particulars	Notes	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	Total
Current borrowings	18	1,934.99	1,934.99	-	-	1,934.99
Non-current borrowings	17	359.01	-	421.74	25.80	447.53
Lease liabilities	5	-	-	-	-	-
Trade payables	19	562.94	562.94	-	-	562.94
Other financial liabilities	20	195.88	195.88	-	-	195.88
Total		3,052.82	2,693.81	421.74	25.80	3,141.34

As at April 1, 2022

Particulars	Notes	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	Total
Current borrowings	18	1,472.51	1,472.51	-	-	1,472.51
Non-current borrowings	17	413.16	-	513.93	-	513.93
Lease liabilities	5	36.12	36.12	-	-	36.12
Trade payables	19	697.94	697.94	-	-	697.94
Other financial liabilities	20	29.39	29.39	-	-	29.39
Total		2,649.12	2,235.96	513.93	-	2,749.89

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Innomech Aerospace Toolings Private Limited ★ Bengaluru 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

37 Earnings per equity share

	Year ended March 31, 2024	Year ended March 31, 2023
Profit attributable to equity shareholders as per statement of profit and loss	5,635.21	2,141.32
Weighted average number of equity shares outstanding during the year	1,01,000.00	42,666.67
Face value of each equity share (INR)	100.00	100.00
Basic and diluted earnings per share (INR)	**5,579.42**	**5,018.72**

The Company does not have any potential equity shares during the years ended March 31, 2024 and March 31, 2023. Hence, basic and diluted EPS are the same.

38 Employee benefits

(a) Defined contibtion plans

Contributions were made to provident fund and Employee State Insurance in India for the Company as per the regulations. These conrtibutions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other contructive obligation

During the year, the Company has recognised the following amounts in the Standalone Statement of Profit and Loss:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's contribution to provident fund	31.57	21.22
Employer's contribution to Employee State Insurance	1.75	1.62
	33.32	22.84

(b) Defined benefit plans - Gratuity

Information regarding gratuity plan

The Company has a defined benefit gratuity plan in India (Gratuity plan). The Gratuity plan is a final salary plan for India employees. The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under this Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Reconciliation of defined benefit obligation

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance as at the beginning of the year	8.57	2.98	0.75
Interest cost	0.64	0.22	0.05
Current service cost	11.20	5.21	1.92
Included in profit and loss (Note 28)	**11.84**	**5.44**	**1.97**
Remeasurement loss/(gain)			
Actuarial loss/(gain) arising from:			
Changes in demographic assumptions	-	-	-
Changes in financial assumptions	1.04	(0.01)	(0.14)
Experience adjustments	4.20	0.16	0.41
Included in other comprehensive income	**5.25**	**0.15**	**0.27**
Balance as at the end of the year	**25.66**	**8.57**	**2.98**

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Opening balance	-	-	-
Employers contribution	10.00	-	-
Interest on plan assets	0.11	-	-
Administration expenses	-	-	-
Remeasurements due to	-	-	-
Actuarial return on plan assets less interest on plan assets	-	-	-
Benefits paid	-	-	-
Closing Balance	**10.11**	-	-

The net liability disclosed above relates to funded and unfunded plans are as follows:

Present value of defined benefit obligation	25.66	-	-
Fair value of plan assets	10.11	-	-
Deficity of funded plans	**15.55**	-	-
Unfunded plans	-	8.57	2.98
Deficity before asset ceiling	**15.55**	**8.57**	**2.98**

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

Classified as:			
Non-current	-	8.56	2.98
Current	15.55	0.01	0.00
	15.55	**8.57**	**2.98**

(c) Actuarial assumptions

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Discount rate (per annum)	7.23%	7.52%	7.51%
Rate of future increase in salary	12.00%	12.00%	12.00%
Attrition rate			
Employee served for 5 years and below	20.00%	20.00%	20.00%
Employee served for above 5 years	5.00%	5.00%	5.00%

The weighted-average duration of the defined benefit obligation as at March 31, 2024 was 14.35 years (March 31, 2023: 15.04 years, April 1, 2022: 14.75 years) for gratuity plan.

(d) Sensitivity analysis

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Discount rate			
1% increase	(2.97)	(1.06)	(0.37)
1% decrease	3.63	1.30	0.45
Future increase in salary			
1% increase	3.33	1.19	0.41
1% decrease	(2.79)	(1.00)	(0.35)
Attrition rate			
1% increase	(1.59)	(0.62)	(0.22)
1% decrease	1.84	0.71	0.25

(e) Categories of plan assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Assets under insurance schemes	100%	0%	0%

(f) Maturity analysis

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Within one year	0.59	0.01	0.00
Between one and two years	0.50	0.01	0.00
Between two and three years	0.42	0.01	0.00
Between three and four years	0.32	0.01	0.00
Between four and five years	0.27	0.01	0.00
Between five and ten years	0.82	0.03	0.01
Later than ten years	22.73	8.50	2.96

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

(g) Defined benefit plan- Longetivity

Longevity bonus liability is accrued for certain class of key managerial persons, as may be decided by the Board from time to time to recognise their immense contribution in driving the organisation, and payable upon their resignation or exit from the Company or substantial changes in the composition of the parent company's Board. Amount to be payable is calculated based on latest remuneration of the year multiplied by number of years. Longevity bonus is recognised as liability at the present value of the defined benefit obligation using actuarial valuation at the Balance sheet date.

Particulars	As at March 31, 2024 *	As at March 31, 2023	As at April 1, 2022
Balance as at the beginning of the year	477.84	91.25	-
Interest cost	-	6.91	-
Benefits paid during the year	-	-	-
Current service cost	-	134.92	91.25
Actuarial (Gains)/Loss	-	244.76	-
Incremental obligation on termination*	806.49	-	-
Balance as at the end of the year	1,284.33	477.84	91.25

* Pursuant to board resolution dated March 30, 2024, Company terminated longetivity scheme and recorded actual provision in the books of accounts.

Actuarial assumptions

	As at March 31, 2024 *	As at March 31, 2023	As at April 1, 2022
Discount rate (per annum)	-	7.57%	7.51%
Expected return on Assets	-	0.00%	0.00%
Rate of future increase in salary	-	12.00%	12.00%
Attrition rate	-	5.00%	5.00%
Classified as:	-	477.08	91.13
Non-current	1,284.33	0.76	0.12
Current			

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED
BENGALURU 562 110

MSKA & ASSOCIATES
Chartered Accountants

(All amounts in INR lakhs, unless otherwise stated)

39 Related party disclosures

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are as follows:

39.1 Names of related parties and description of relationship:

Immediate and ultimate parent company	Unimech Aerospace and Manufacturing Private Limited (formerly Unimech Aerospace and Manufacturing Private Limited), India
Key Management Personnel (Directors)	Mr. Anil Kumar Puttan Mr. Rajanikanth Balaraman Mr. Ramakrishna Kamojhala Mr. Mani Puttan Mr. Preetham Shimoga
Relatives of KMPs	Mrs. Savitha K Nayar Mrs. Rashmi Anil Kumar Puttan Mrs. Shruthi C S Mrs. Mamatha Kumar Mr. P Sathyanarayana Mrs. Sulochana T Miss. Dakshayini Miss. Prema K S Mrs. Meenakshi K K

39.2 Details of transactions with related parties for the year ended:

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a)	**Immediate and ultimate parent company**		
	Unimech Aerospace and Manufacturing Private Limited		
	(formerly Unimech Aerospace and Manufacturing Private Limited), India		
	Issue of equity share capital	-	100.00
	Purchase of raw materials	23.85	0.82
	Purchase of PPE	3.12	-
	Subcontractors charges	337.75	0.67
	Machine Rent	54.30	37.44
	IT, Technical and Support Service	452.11	250.00
	Interest on borrowings (as per effective interest rate)	4.88	30.00
	Guarantee Commission	105.00	43.60
	Borrowings		
	Borrowed during the year	34.21	857.39
	Repaid during the year	551.33	1,025.13
(b)	**Key Management Personnel and relatives of KMP**		
	Remuneration*		
	Mr. Anil Kumar Puttan	128.00	49.80
	Mr. Mani Puttan	128.00	49.80
	Mr. Preetham Shimoga	128.00	49.80
	Mr. Rajanikanth Balaraman	128.00	34.80
	Mr. Ramakrishna Kamojhala	79.00	-
	Relatives of KMP		
	Consultancy charges		
	Mrs. Rashmi Anil Kumar Puttan	58.70	35.80
	Mrs. Savitha K Nayar	63.45	33.80
	Mrs. Shruthi C S	61.44	2.55
	Mrs. Mamatha Kumar	69.33	17.70
	Mr. P Sathyanarayana	-	19.80
	Mrs. Sulochana T	-	19.80
	Miss. Dakshayini	12.29	-
	Mrs. Meenakshi K K	-	9.15
	Guarantee Commission		-
	Mr. Anil Kumar Puttan	21.00	-
	Mr. Mani Puttan	21.00	-
	Mr. Preetham Shimoga	21.00	-
	Mr. Rajanikanth Balaraman	21.00	-
	Mr. Ramakrishna Kamojhala	21.00	-

*Managerial remuneration does not include cost of employee benefits such as other long term employee benefits. Since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

(All amounts in INR lakhs, unless otherwise stated)

39.3 Outstanding balances in relation to related parties

	Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(a)	**Key Management Personnel**			
	Advances receivable			
	Mr. Anil Kumar Puttan	-	5.00	5.00
(b)	**Key Management Personnel**			
	Employee benefits payable			
	Mr. Anil Kumar Puttan	-	-	0.26
	Mr. Mani Puttan	-	9.05	2.25
	Mr. Preetham Shimoga	-	8.59	2.25
	Mr. Rajanikanth Balaraman	-	17.82	-
	Relatives of KMP			
	Consultancy Payable			
	Mrs. Rashmi Anil Kumar Puttan	-	22.59	-
	Mrs. Mamatha Kumar	-	15.93	-
	Mrs. Meenakshi K K	-	8.24	-
	Mrs. Savitha K Nayar	-	25.02	-
	Mr. P Sathyanarayana	-	17.82	-
	Mrs. Sulochana T	-	17.82	-
(c)	**Immediate and ultimate parent company**			
	Unimech Aerospace and Manufacturing Private Limited			
	Trade payables	-	33.17	513.63
	Borrowings	-	517.11	684.85
	Advances	40.66	-	-
(d)	**Corporate guarantees provided by parent company**			
	Guarantees provided	3,500.00	2,843.00	1,455.00
	Borrowings outstanding against which guarantees are received (Refer note 17 and 18)	2,685.50	1,777.19	1,200.82

39.4 Terms and conditions of transactions with related parties

Transactions wih related parties were made in the ordinary course of business. Outstanding balances at the year-end with related parties are unsecured and interest free (other than loans at market rates) to be settled in cash.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

40 Other regulatory information

40.1 Title deeds of immovable properties not held in name of the Company
The Company does not have any immovable properties whose title deeds are not held in the name of the Company.

40.2 Details of benami property held
The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

40.3 Borrowings secured against current assets
The Company has borrowings from banks or financial institutions on the basis of security of current assets.

40.4 Wilful defaulter
The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

40.5 Relationship with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

40.6 Registration of charges or satisfaction with Registrar of Companies
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

40.7 Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017.

40.8 Compliance with approved Scheme(s) of arrangements
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

40.9 Utilisation of borrowed funds and share premium:
No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding, that the intermediary shall:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

40.10 Undisclosed income
The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961.

40.11 Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous financial year.

40.12 Utilisation of borrowings availed from banks and financial institutions
The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such borrowings were taken.

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

41 Ratio analysis

S No.	Ratio	Formula	Year ended March 31, 2024		Year ended March 31, 2023		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023		
(a)	Current ratio	Current assets[(i)] / Current liabilities[(ii)]	8,321.40	4,314.62	4,310.87	3,017.64	1.93	1.43	-25.93%	Due to increase in balances of trade receivables and balances in fixed deposits
(b)	Debt-equity ratio	Total debt[(iii)] / Total equity	2,685.50	8,386.36	2,294.00	2,836.67	0.32	0.81	152.54%	Due to increase in profits on account of significant growth in business.
(c)	Debt service coverage ratio	Earnings available for debt Service[(iv)] / Debt service[(v)]	7,363.81	407.55	2,618.08	252.15	18.07	10.38	-42.54%	On account of higher profits during the current year and due to reduction in loans outstanding as at the balance sheet date.
(d)	Return on equity ratio	Profit after tax / Average equity	5,639.14	5,611.52	2,141.32	1,780.14	1.00	1.20	19.70%	Not applicable
(e)	Inventory turnover ratio	COGS / Average inventory	3,842.95	1,224.40	1,500.24	584.93	3.14	2.56	-18.28%	Not applicable
(f)	Trade receivables turnover ratio	Sales / Average trade receivables	18,653.30	3,125.19	6,921.61	1,489.55	5.97	4.65	-22.15%	Not applicable
(g)	Trade payables turnover ratio	Purchases / Average trade payables	3,968.76	531.97	2,444.68	538.32	7.46	4.54	-39.13%	Due to increase in purchases which is due to increase in sales and reduction in trade payables.
(h)	Net capital turnover ratio	Sales / Working capital	18,653.30	4,006.79	6,921.61	1,293.23	4.66	5.35	14.97%	Not applicable
(i)	Net profit ratio	Net profit / Sales	5,639.14	18,653.30	2,141.32	6,921.61	0.30	0.31	2.33%	Not applicable
(j)	Return on capital employed	EBIT / Capital employed[(vi)]	7,786.72	11,071.86	2,965.43	5,130.67	0.70	0.58	-17.82%	Not applicable
(k)	Return on investment	Other income / Average cash and cash equivalents and other bank balances	385.89	140.91	27.82	237.70	2.74	0.12	-95.73%	Due to increase in closing bank balances and other income

Footnote:
(i) Current assets = Inventories + Trade receivables + Cash and cash equivalents + Bank balances other than cash and cash equivalents + Other financial assets + Other current assets + Current tax assets (net).
(ii) Current liabilities = Current borrowings + Current lease liabilities + Trade payables + Other financial liabilities + Other current liabilities + Provisions + Current tax liabilities (net).
(iii) Total debts = Non-current borrowings + Current borrowings and current maturities of long-term borrowings + Non current and current lease liabilities.
(iv) Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest (including interest of security deposits)
(v) Debt service = Principal payment of leases + Principal repayment of borrowings + Interest payment on leases + Interest payment on borrowings
(vi) Capital employed = Tangible net worth + Total debt + Deferred tax liability

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INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED ★ BENGALURU 562 110

Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006
Notes forming part of the Financial Statements for the year ended March 31, 2024
(All amounts in INR lakhs, unless otherwise stated)

42 **Capital management**

The Company's objectives when maintaining capital are:

(a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(b) to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company sets the amount of capital it requires in proportion to risk. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company monitors capital on the basis of the net debt to capital ratio. Net debt is calculated as the total borrowings and lease liabilities less cash and cash equivalents. Capital includes all components of equity.

The debt-to-capital ratios were as follows:

		As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Total equity	(i)	8,386.36	2,836.67	723.61
Borrowings		2,685.50	2,294.00	1,885.67
Less: Cash and cash equivalents		(203.47)	(78.35)	(238.03)
Net debt	(ii)	2,482.03	2,215.65	1,647.64
Debt-to-capital ratio	(ii)/ (i)	0.30	0.78	2.28

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024, and March 31, 2023.

43 **The Code on Social Security 2020**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

44 **Assets hypothecated as security**

The carrying amounts of assets hypothecated as security for current and non-current borrowings are:

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Non-current assets			
Land (right-of-use assets)	542.48	548.21	542.48
Factory building	1,610.91	878.22	858.27
Plant and equipment	2,386.57	889.35	334.35
Furniture and fixtures	31.64	24.68	14.05
Computers	28.99	12.93	12.33
Office equipment	16.78	21.15	24.51
Vehicles	82.07	-	-
Total non-current assets hypothecated as security	4,699.44	2,374.54	1,785.99
Current assets			
Inventories	1,355.52	1,093.28	76.57
Trade receivables	3,839.84	2,410.53	568.56
Cash and bank balances	203.47	78.35	238.03
Bank balances other than cash and cash equivalents	-	-	159.02
Other financial assets	1,995.67	527.96	119.15
Other current assets	683.29	200.75	46.82
Total current assets hypothecated as security	8,077.79	4,310.87	1,208.15
Total assets hypothecated as security	12,777.24	6,685.41	2,994.14

45 **Commitments**

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for:			
Property, plant and equipment	804.35	561.63	9.18
	804.35	561.63	9.18

46 **Corporate Social Responsibility**

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Amount required to be spent by the Company during the year	27.48	-	-
Amount of expenditure inccured	27.48	-	-
Shortfall at the end of the year	-	-	-
Total of previous years shortfall	-	-	-
Reason for shortfall	-	-	-
Nature of CSR activities	Apprenticeship Training under Apprentices Act, 1961	-	-

47 **Segment Reporting**

(a) The Company's main objective is to carry on the business of manufacturing toolings and components to be used in the aerospace sector. The Board of Directors (considered as Chief Operating Decision Maker) reviews these activities under the context of Ind AS 108 Operating Segments as one single operating segment to evaluate the overall performance of the Group.

(b) Refer note 24.1 for breakup of the Company's revenue by primary geographical market.

(c) During the year ended 31 March 2024, revenue from operations of three customers (March 31, 2023: three) customers represented approximately 43.19% (March 31, 2023: 63.33%), 32.34% (March 31, 2023: 15.37%) and 23.40% (March 31, 2023: 16.52%) of the Company's revenue from operations.

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No: 105047W

Pankaj S Jhauwala
Partner
Membership No: 233552
Place: Bengaluru
Date: July 3, 2024

MSKA & ASSOCIATES ★ Chartered Accountants ★

For and on behalf of the Board of Directors of
Innomech Aerospace Toolings Private Limited
CIN: U29200KA2018PTC118006

Anil Kumar Puttan
Managing Director
DIN: 07683267
Place: Germany
Date: July 3, 2024

Ramakrishna Kamo;
Whole-time director
DIN: 07004517
Place: Bengaluru
Date: July 3, 2024

INNOMECH AEROSPACE TOOLINGS PRIVATE LIMITED BENGALURU 562 110