



**unimech**

***REPORT OF BOARD OF DIRECTORS OF  
UNIMECH AEROSPACE AND  
MANUFACTURING LIMITED***

**FY 2023-24**

## **Corporate Information**

### **Board of Directors:**

Mr. Anil Kumar Puttan – Chairman & Managing Director \*

Mr. Ramakrishna Kamojhala – Whole-time Director (Finance)\*

Mr. Mani Puttan– Whole-time Director (Operations)\*

Mr. Rajanikanth Balaraman – Whole-time Director (IT, Growth & BD)\*

Mr. Preetham Vankatesh Shimoga – Whole-time Director (People & KAM)\*

Mr. Ashok Tandon – Independent Director#

Mr. Mukund Srinath – Independent Director#

Mr. Pavan Krishnamurthy – Independent Director#

Mrs. Vidya Rajarao – Women Independent Director#

Mr. Sridar Ranganathan – Independent Director#

*\*Re-designated w.e.f 30.04.2024 (subject to approval of Shareholders)*

*#Appointed w.e.f*

### **Board Committees.**

#### **Audit Committee**

Mrs. Vidya Rajarao – Chairman

Mr. Pavan Krishnamurthy – Member

Mr. Ramakrishna Kamojhala - Member

#### **Nomination and Remuneration Committee**

Mr. Mukund Srinath – Chairman

Mr. Sridhar Ranganathan – Member

Mr. Anil Kumar Puttan / Ramakrishna Kamojhala - Member

#### **Stakeholders' Relationship Committee**

Mr. Ashok Tandon – Chairman

Mr. Mukund Srinath – Member

Mr. Ramakrishna Kamojhala – Member

#### **Corporate Social Responsibility Committee**

Mr. Ashok Tandon – Chairman

Mr. Sridhar Ranganathan – Member

Mr. Ramakrishna Kamojhala - Member

#### **Chief Financial Officer & Compliance Officer**

Chief Financial Officer: Mr. Ramakrishna Kamojhala

Company Secretary & Compliance Officer: Mr. Krishnappayya Desai

**Statutory Auditors:**

**M/S BDO India LLP**

Chartered Accountants

Bengaluru

**Secretarial Auditors:**

**Mrs. Kalai Vani**

Practicing Company Secretary

Bengaluru

**Internal Auditors**

**M/S NSVM & Associates**

Chartered Accountants

Bengaluru

**Bankers**

Axis Bank Limited

South Indian Bank Limited

**Registrar and Share transfer Agent**

M/s. Kfin Technologies Limited

Karvy Selenium Tower B, Plot No. 31

& 32 Gachibowli, Financial District,

Nanakramguda, Serilingampally,

Hyderabad, Telangana, India - 500 032

**Registered Office - Bengaluru**

538, 539, 542 & 543, 7th Main of Peenya IV Phase Industrial Area, Yeshwanthpur Hobli, Bangalore, Bangalore North Taluk, Karnataka, India, 560058

Phone: 08532-238704

Email: [inverstorrelations@unimechaerospace.com](mailto:inverstorrelations@unimechaerospace.com)

Web: [www.unimechaerospace.com](http://www.unimechaerospace.com)

**Manufacturing Units:**

538, 539, 542 & 543, 7th Main of Peenya IV Phase Industrial Area, Yeshwanthpur Hobli, Bangalore North Taluk, Karnataka, India, 560058

**SEZ Unit – Innomech Aerospace Toolings Private Limited**

Plot No.3, Sy. No. 21-P, Aerospace SEZ Sector,

Hitech Defence & Aerospace Park, Kavada, asanahalli, Bangalore Rural, Devanahalli Taluk, Karnataka, India, 562135

**Indian Subsidiaries:**

Innomech Aerospace Toolings Private Limited

Unimech Healthcare Private Limited\*

*\*Ceased to be subsidiary w.e.f 18.12.2023*

**Foreign Subsidiaries:**

Unimech Global Manufacturing Solutions Inc – USA

*\*A Wholly owned Subsidiary Company Incorporated w.e.f 29.05.2024*



## **About the Company**

*Our Company was originally incorporated as “Unimech Aerospace and Manufacturing Private Limited” under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated August 12, 2016, issued by the Central Registration Centre, for and on behalf of the Jurisdictional Registrar of Companies, Karnataka at Bangalore (“RoC”). The name of our Company was subsequently changed to “Unimech Aerospace and Manufacturing Limited”, upon conversion of our Company from a private limited to a public limited company,*

## **Our Business**

*We are a high precision engineering solutions company specializing in manufacturing high precision assemblies and components for our clients in the aerospace, defence, power generation and semi-conductor industries. Our product portfolio includes, inter alia, (i) tooling equipment for aero engines, air frames and industrial gas turbine, (ii) assemblies and sub-assemblies for clients in the semiconductor and energy verticals, (iii) Precision components for missile manufacturers and aerospace players*

*We have 2 manufacturing facilities situated in and around Bengaluru, Karnataka, India, having a total area of approximately 1,20,000 sq. ft. Our manufacturing facilities have been duly certified in accordance with [international standards of quality management systems, environmental management systems, health and safety management systems and specialized processes*

*We are an AS9100 Rev D and ISO45001-certified company. Manufacturing and supplying complex tooling, mechanical assemblies, structural fabrications, and precision components for companies in the aerospace, defense, power generation, and semiconductor sectors, including a number of aerospace and power generation OEMs.*

*Unimech is known for being a global and specialist manufacturer – over 90% of our sales come from export business for the global OEMs and tier 1 suppliers. We are also proud supporters of the domestic defense industry.*

*Our team’s diverse skills range from strong expertise in engineering design and manufacturing to business analysis and strategic planning to quality control and operations management. Unimech is proud to be among the small set of Boeing-approved suppliers in India. Unimech serves a wide range of companies including Boeing, Collins Aerospace, Mitsubishi, Eaton, and LAM Research.*

## **Milestones**

<b>Calendar Year</b>	<b>Milestone</b>
2016	<i>Incorporated as ‘Unimech Aerospace and Manufacturing Private Limited’, as a private limited company under the Companies Act.</i>
2017	<i>Acquisition of business and business assets from M/s. Unimech Consulting Engineers.</i>
2018	<i>Incorporated our Subsidiary, namely, Innomech Aerospace Toolings Private Limited.</i>
2023	<i>Disinvestment of stake sale in our erstwhile subsidiary, Unimech Healthcare Private Limited.</i>
2024	<i>Conversion into a public limited company under the name ‘Unimech Aerospace and Manufacturing Limited’.</i>



## DIRECTORS ON BOARD OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED



**Mr. Anil Kumar Puttan**  
**Chairman & Managing Director**

*Mr. Anil Kumar Puttan is a Chairman and Managing Director and one of the Promoters of our Company. He has been associated with our Company since September 1, 2018. He holds a bachelor's degree of technology in mechanical engineering (computer integrated manufacturing) from Indira Gandhi National Open University, New Delhi. Prior to joining our Company, he was associated with Quality Engineering & Software Technologies Private Limited in the capacity of Project Manager, CIM Tools Private Limited in the capacity of CAD-CAM engineer and INCITE CAM Centre in the capacity of Team Leader – CAM division. He has over 20 years of experience in the manufacturing sector.*

*The Company has hugely benefited from his immense knowledge and experience. His rich and varied experience in functional areas such as Business Development, materials management, commercial management, administration, and general management continues to benefit the Company.*



**Mr. Ramakrishna Kamojhala**  
**Whole-time Director (Finance) & Chief Financial Officer**

*Mr. Ramakrishna Kamojhala is a Whole-Time Director on the Board and one of the promoters of the Company. He has been associated with our Company since July 31, 2017. He holds a master's degree in business administration and a master's degree in commerce. He is also an associate member of the Institute of Chartered Accountants of India, Institute of Cost and Works Accountants of India and Institute of Company Secretaries of India. Prior to joining our Company, he has worked with BHEL-GE Gas Turbine Services Private Limited in the capacity of Finance Planning Manager, Allergan India Private Limited in the capacity of a Business Planning Manager and International Aerospace and Manufacturing Private Limited, a Joint Venture of Rolls Royce, UK and HAL, India in the capacity of their Chief Financial Officer and Company Secretary. He has over 20 years of experience in the financial sector.*

*The Company has immensely benefited from the Contribution of Mr. Ramakrishna Kamojhala who is a promoter member and Director of the Company. He has been associated with the Company since July 31, 2017. His experience and expertise in the area of Finance, Treasury, Legal and Corporate affairs continue to benefit the Company.*



**Mr. Mani Puttan**  
*Whole-time Director*  
*(Operations)*

*Mr. Mani Puttan is a Whole-time Director and one of the Promoters of our Company. He has been associated with our Company since September 1, 2018. He holds a bachelor's degree of technology in mechanical engineering (computer integrated manufacturing) from Indira Gandhi National Open University, New Delhi and a master's degree in business administration from Toulouse Business School, France. He has over 18 years of experience and prior to joining our Company, he was associated with International Aerospace Manufacturing Private Limited in the capacity of Production Manager, with Goodrich Aerospace Services Private Limited in the capacity of Operations Supervisor and with Maini Precisions Products Private Limited as Dy. Manager - Engineering.*

*Mr. Mani Puttan has a pivotal role in the growth of the Company in the recent past, he is a Promoter member and Director of the Company. His rich and varied experience in functional areas such as Operations, Projects, Business Development, administration, and general management has significantly benefited the Company.*



**Mr. Rajanikanth Balaraman**  
*Whole-time Director*  
*(IT, Growth & BD)*

*Mr. Rajanikanth Balaraman is a Whole-time Director and one of the Promoters of our Company. He has been associated with our Company since July 31, 2017. He holds a bachelor's degree in engineering from Bangalore University, Bengaluru, Karnataka. Prior to joining our Company, he has worked with Integral Logic Private Limited in the capacity of Software Engineer, Robert Bosch India Limited in the capacity of Technical Manager, Datanet Corporation Limited in the capacity of software engineer and National Instruments Systems (India) Private Limited in the capacity of Project Manager and Managing Director. He has over 25 years of experience in the software sector. The Company has hugely benefited from his immense knowledge and experience.*

*His expertise in the functional areas such as Business Development, Human Resource, Information Technology, M&A, administration, and general management continues to contribute the Company.*





**Mr. Preetham V Shimoga**  
*Whole-time Director*  
*(People & KAM)*

*Mr. Preetham Venkatesh Shimoga is a Whole-time Director and one of the Promoters of our Company. He has been associated with our Company since September 1, 2018. He holds a bachelor's degree in engineering in industrial production from Kuvempu University, Karnataka. Prior to joining our Company, he was associated with Quality Engineering and Software Technologies Private Limited in the capacity of Project Leader, Wipro Limited in the capacity of Executive – Business, People & KAM and Affiliated Computer Services of India Private Limited in the capacity of Software Quality Analyst. He has over 20 years of experience in the field of software.*

*His expertise in technical, Customer Relations and people management has immensely contributed to the growth of the Company in the recent past.*



**Mr. Mukund Srinath**  
*Independent Director*

*Mr. Mukund Srinath is Fellow member of the Institute of Company Secretaries of India, a Law graduate and a postgraduate in Commerce. He has over 35+ years of corporate experience in Legal and Corporate Secretarial matters. Currently he is a Corporate Consultant to many of the corporate organizations. He worked as Vice President - Corporate Hub with Capgemini Technology Services India Ltd; Global Senior Vice President-Legal and Corporate Secretary of the US based conglomerate iGATE Group and also held senior managerial positions with SmithKline Pharmaceuticals Ltd., BPL Ltd. and DISA Ltd.*





**Mr. Ashok Tandon**  
*Independent Director*

*Mr. Ashok Tandon is a management professional with a degree in Law & Fellow membership of the Institute of Company Secretary, he has over four decades of rich experience at Board level in Aerospace/ Defense, Mining / Metal, Fertilizer, Sugar and Machine-Tool industries.*

*He was Superannuated from the post of Executive Director (Company Secretary) of Hindustan Aeronautics Limited, (HAL). Overall, a Unique blend of visionary leadership with expertise to lead strategic planning and direct multi-site operations, business model re-structuring, cost control and effective management of cultural and organizational diversity. Presently, He is an Independent Consultant and Co-promoter of AceAero Consultants LLP, Bangalore.*



**Mr. Pavan Krishnamurthy**  
*Independent Director*

*Mr. Pavan Krishnamurthy is an experienced venture investor and advisor with 25+ years of experience across venture capital, family offices and advisory domains. Over his long career Pavan has been associated with Ojas Venture Fund, Nadathur Family Office, Ernst & Young, Pricewaterhouse Coopers and as an advisor to several family offices and family businesses. Pavan is a Chartered Accountant by qualification (Pricewaterhouse) and holds a Bachelor of Science degree in Mathematics, Statistics and Economics.*



**Mrs. Vidya Rajarao**  
**Independent Director**

*Ms. Vidya Rajarao, is a Chartered Accountant from the Institute of Chartered Accountants of India and a Certified Fraud Examiner from the Association of Certified Fraud Examiners, USA, the world's largest anti-fraud organization. Ms. Rajarao was the first Indian to be elected to the Board of Regents of the Association of Certified Fraud Examiners (ACFE) and she recently served as the Vice-Chair of the ACFE's Board of Regents. Ms. Rajarao has over 25 years of experience and expertise in numerous forensic accounting assignments, fraud investigations and regulatory proceedings in India, United States, United Kingdom and Germany. These investigations required reconstruction of complex financial records, electronic data and large data sets of accounting transactions and documents.*

*Ms. Rajarao is also an Independent Director in many reputed Companies. she was recently nominated as a member of the Technical Advisory Committee of the National Financial Reporting Authority, an independent regulator established to oversee the auditing profession in India.*



**Mr. Sridhar Ranganathan**  
**Independent Director**

*Mr. Sridhar Ranganathan is a Co-Founder of Helyxon & Director, Pristine Concepts, Jokesapart, IIT Madras Research Park, Chennai. He is a Member of Steering Committee of HRD, Department of Biotechnology, Ministry of Science and Technology. Government of India.*

*He has over 30+ years Healthcare expertise in Indian and Multinational Companies across pharmaceuticals, medical devices, aesthetics and body contouring segments. Mr. Ranganathan is one of the youngest Managing Directors in the Healthcare industry in India. He has led over a dozen marketing and sales projects across Asia Pacific and championed Account Management across international markets. Proficiency in public speaking and has been an invited speaker in business specific forums, academic institutions and social platforms. He Holds a Bachelor Degree in Mathematics.*



**REPORT OF BOARD OF DIRECTORS OF UNIMECH AEROSPACE AND  
MANUFACTURING LIMITED  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

To  
The Members  
Unimech Aerospace and Manufacturing Limited

Your Directors are pleased to present the Eighth (8<sup>th</sup>) Annual Report of the Company together with the Audited Statements of Accounts for the Financial Year ended 31<sup>st</sup> March, 2024.

**1. FINANCIAL HIGHLIGHTS**

The Company's financial results for the year ended 31<sup>st</sup> March 2024 along with previous year's figures are exhibited hereunder:

( Rs. In Lakhs)

Particulars	FINANCIAL YEAR 2023-24		FINANCIAL YEAR 2022-23	
	Standalone	Consolidated	Standalone	Consolidated
<b>1. Income</b>				
Operating revenue	3,069.97	20,877.51	2,841.36	9,416.66
Other Income (Including Exceptional Item)	225.02	501.04	144.50	76.40
<b>Total</b>	<b>3,294.99</b>	<b>21,378.55</b>	<b>2,985.86</b>	<b>9,493.06</b>
<b>2. Expenditure</b>				
Cost of Material Consumed	1,211.89	4,863.06	910.88	2,975.13
Purchase of Stock in trade		60.77		104.90
Changes in inventory of finished goods, Work in progress and stock in trade	(196.02)	(497.08)	(179.11)	(1,181.60)
Subcontractors charges	507.53	2,691.45	271.17	741.34
Employee benefit expenses	771.17	3,243.91	591.06	1,560.80
Finance Cost	25.67	323.34	54.33	188.27
Depreciation and amortization expenses	183.02	446.46	193.89	408.02
Other expenses	453.58	2,596.76	883.62	1,759.83
<b>3. Profit before tax and exceptional items (1-2)</b>	<b>338.15</b>	<b>7,649.88</b>	<b>257.57</b>	<b>2,936.37</b>
<b>4. Exceptional items –(Income)/expenses</b>				
<b>5. Profit Before tax</b>	<b>338.15</b>	<b>7,649.88</b>	<b>260.02</b>	<b>2,936.37</b>
<b>6. Tax Expenses</b>	<b>95.65</b>	<b>1,836.57</b>	<b>47.28</b>	<b>655.19</b>
Current tax	74.47	1,835.21	92.08	577.45
Deferred Tax	21.18	1.36	(44.80)	77.74
<b>7. Net Profit for the year</b>	<b>242.50</b>	<b>5,813.31</b>	<b>212.74</b>	<b>2,281.18</b>
<b>8. Other comprehensive income</b> Item that will not be reclassified to profit or loss Remeasurements of post-employment defined benefit plans Income tax relating to the above item	(4.74)	(8.67)	20.62	(162.64)
<b>9. Total comprehensive income for the year</b>	<b>237.76</b>	<b>5,804.64</b>	<b>233.36</b>	<b>2,118.54</b>





## 2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

The details of Business operations during the year under review are as under:

The Company posted a revenue of Rs. 3,069.97 lakhs for the year ended 31<sup>st</sup> March 2024 as against Rs. 2,841.36 posted in the previous fiscal year. The Company achieved a net profit of Rs. 242.50 as against the net profit of Rs. 233.36 in the previous fiscal year.

The Company has made significant efforts in the recent past to create a pathway for future growth and expects to continue its growth trajectory in medium to long-term. Considering the business opportunities in the market, The Board is of the opinion to expand the Company's horizon by tapping the new customers, expanding the existing facilities and making the business acquisitions in India and abroad in the coming years.

## 3. CHANGE IN NATURE OF BUSINESS

There were no changes in the nature of business during the year under review as prescribed in Rule 8(ii) of the Companies (Accounts) Rules, 2014.

## 4. MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY, BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes and commitments between the end of the Financial Year and the Date of the Report, which affect the financial position of the Company.

## 5. DIVIDEND

To conserve resources for future growth, the Directors have not recommended any dividend.

## 6. AMOUNTS TRANSFERRED TO RESERVES

The Company has not transferred any amount to general reserves during the financial year.

## 7. DEPOSITS

The Company has not invited / accepted / renewed any deposits from the public as defined under the provisions of Companies Act, 2013 and accordingly, there were no deposits which were due for repayment on or before 31<sup>st</sup> March 2024.

## 8. SHARE CAPITAL:

**The Authorized Capital of the Company:**

The Authorized Capital of the Company as on 31<sup>st</sup> March, 2024 is Rs. 30,00,00,000/- (Rupees Thirty Crores only) divided into 6,00,00,000(Six Crores) Equity Shares of Rs.5/- (Rupees Five only) each.

**Issued, subscribed and paid up Capital of the Company:**

The issued, subscribed and paid-up Equity Share capital of the Company as on 31<sup>st</sup> March 2024 is Rs. 22,00,25,400/- (Rupees Twenty-Two Crores Twenty Five Thousand and Four Hundred only) divided into 4,40,05,080 (Four Crores Forty Lakhs Five Thousand Eighty) Equity Shares of Rs. 5/- (Rupees Five only) each.

Further, following corporate actions have been undertaken in the Company between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report:

1. The Company has converted 544 Compulsory Convertible Debentures at a conversion price of Rs.5,495/- (Rupees Five Thousand Four Hundred Ninety Five only) which includes Face Value of Rs.100/- (Rupees One Hundred only) and premium of Rs.5,395 (Rupees Five Thousand Three Hundred Ninety Five only).
2. The Authorized Share Capital of the Company was increased from Rs. 1,10,00,000/- (One Crore and Ten Lakhs only) to Rs. 30,00,00,000/- (Rupees Thirty Crores only).
3. The Nominal value of the Equity Shares of the Company was sub-divided from Rs. 100/- per Share to Rs. 5/- per Share.
4. The Company had issued Bonus Shares in the ratio of 1:20 (for every 1 Share held in the Company, 20 Bonus Shares were issued).
5. The Paid-up Share Capital of the Company was increased from Rs. 1,04,23,000/- (One Crore Four Lakhs and Twenty-Three Thousand only) to Rs. 22,00,25,400/- (Rupees Twenty-Two Crores Twenty-Five Thousand and Four Hundred only).

**Disclosure regarding Issue of Equity Shares with Differential Voting Rights:**

During the year under review, the Company has not issued Shares with Differential Voting Rights.

**Disclosure regarding issue of Employee Stock Options:**

During the year under review, the Company has not issued Shares Employee Stock Options.

**Disclosure regarding issue of Sweat Equity Shares:**

During the year under review, the Company has not issued Sweat Equity Shares.

**Disclosure regarding Buy Back of Securities:**

During the year under review, the Company has not bought back any of its Securities.





## 9. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

The Company was converted from Private Limited Company into a Public Limited Company with effect from 21 June, 2024 and consequently the name of the Company was changed from “Unimech Aerospace and Manufacturing Private Limited” to “**Unimech Aerospace and Manufacturing Limited**” by deletion of the word “Private” from the name of the Company. The Memorandum of Association and Articles of Association of the Company have been modified accordingly.

## 10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Directors and Key Managerial Personnel as on 31.03.2024 are as follows:

SL No.	Name of Director	DIN/Membership No.	Designation
1.	Mr. Anil Puttan Kumar	07683267	Director
2.	Mr. Ramakrishna Kamojhala	07004517	Director
3.	Mr. Preetham Venkatesh Shimoga	07683268	Director
4.	Mr. Rajanikanth Balaraman	07894421	Director
5.	Mr. Mani Puttan	08042129	Director
6.	Mr. Krishnappayya Desai	A61281	Company Secretary*

\*Mr. Krishnappayya Desai was appointed as the Company Secretary of the Company on 11<sup>th</sup> March, 2024.

## 11. CHANGE IN DIRECTORSHIP AND KEY MANAGERIAL PERSONNEL

### Retirement by rotation and subsequent re-appointment

This being the first-year post conversion of the Company, Mr. Preetham Venkatesh, Whole-time Director of the Company, being the longest serving Director in the Company, retires by rotation. He being eligible to be the Director, offers himself for re-appointment.

The Board at its Meeting held on 30<sup>th</sup> April, 2024 approved the below appointments and subsequently Shareholders approval was taken at the Extra-Ordinary General Meeting held on 22 June 2024:

- (1) Appointment of Mr. Anil Puttan Kumar (DIN: 07683267) as Chairman and Managing Director of the Company.

The Board appointed Mr. Anil Puttan Kumar (DIN: 07683267), as Chairman and Managing Director of the Company for a period of 5 years with effect from 30<sup>th</sup> April, 2024 to 30<sup>th</sup> April, 2029 (not liable to retire by rotation). His appointment was approved in the Extra- Ordinary General Meeting held on 22 June 2024.





- (2) Appointment of Mr. Ramakrishna Kamojhala(DIN: 07004517) as Whole-time Director and the Chief Financial Officer (CFO) of the Company.

The Board appointed Mr. Ramakrishna Kamojhala (DIN: 07004517), as Whole-time Director of the Company for a period of 5 years with effect from 30<sup>th</sup> April, 2024 to 30<sup>th</sup> April, 2029 (liable to retire by rotation). He is also being appointed as the Chief Financial Officer (CFO) of the Company. His appointment was approved in the Extra-Ordinary General Meeting held on 22 June 2024.

- (3) Appointment of Mr. Preetham Venkatesh (DIN: 07683268) as Whole-Time Director of the Company.

The Board appointed Mr. Preetham Venkatesh (DIN: 07683268), Whole-time Director of the Company for a period of 5 years with effect from 30<sup>th</sup> April, 2024 to 30<sup>th</sup> April, 2029 (liable to retire by rotation). His appointment was approved in the Extra-Ordinary General Meeting held on 22 June 2024.

- (4) Appointment of Mr. Rajanikanth Balaraman (DIN: 07894421) as Whole-Time Director of the Company.

The Board appointed Mr. Rajanikanth Balaraman (DIN: 07894421), as Whole Time Director of the Company for a period of 5 years with effect from 30<sup>th</sup> April, 2024 to 30<sup>th</sup> April, 2029 (liable to retire by rotation). His appointment was approved in the Extra-Ordinary General Meeting held on 22 June 2024.

- (5) Appointment of Mr. Mani Puttan(DIN: 08042129) as Whole-Time Director of the Company.

The Board appointed Mr. Mani Puttan (DIN: 08042129), as Whole Time Director of the Company for a period of 5 years with effect from 30<sup>th</sup> April, 2024 to 30<sup>th</sup> April, 2029 (liable to retire by rotation). His appointment was approved in the Extra-Ordinary General Meeting held on 22 June 2024.

## 12. BOARD MEETINGS:

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. Additional Meetings of the Board of Directors are held when necessary.

During the year under review 13 (Thirteen) Meetings were held and all Meetings were held within statutory time limits with proper quorum. The details of Board meetings held during the year are as under:

Sl. No.	Date of Board Meeting	Number of Directors Attended Board Meeting
1.	05.06.2023	5
2.	30.06.2023	5
3.	01.07.2023	5
4.	29.09.2023	5
5.	12.12.2023	5
6.	22.12.2023	5
7.	26.12.2023	5

8.	28.12.2023	5
9.	06.01.2024	5
10.	29.01.2024	5
11.	14.02.2024	5
12.	11.03.2024	5
13.	29.03.2024	5

Following table exhibits the attendance of the Directors at the Meetings of the Board during the year under report:

Sl. No.	Name of the Directors	Total Meetings held by the company	No of meetings held during respective tenure of the directors	No. of Meetings attended by the Directors
1	Mr. Anil Puttan Kumar	13	13	13
2	Mr. Ramakrishna Kamojhala	13	13	13
3	Mr. Preetham Venkatesh Shimoga	13	13	13
4	Mr. Rajanikanth Balaraman	13	13	13
5	Mr. Mani Puttan	13	13	13

The Agenda of the Meeting is circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors were prepared, circulated and maintained according to the provisions of Secretarial Standards and the Companies Act, 2013.

### 13. RECEIPT OF ANY COMMISSION BY MD / WTD FROM A COMPANY OR FOR RECEIPT OF COMMISSION / REMUNERATION FROM ITS HOLDING OR SUBSIDIARY:

During the Financial Year 2023-24, The Consultancy fees was paid to Managing Director and Whole Time Directors as per the below table:

Sl No	Name of the Director	Amount paid (aggregate of Holding and Subsidiary Company)
1	Mr. Anil Kumar Puttan	1,28,00000
2	Mr. Ramakrishna Kamojhala	1,76,14,184
3	Mr. Mani Puttan	1,28,00000
4	Mr. Rajanikanth Balaraman	1,28,00000
5	Mr. Preetham Venkatesh Shimoga	1,28,00000





#### **14. ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors, pursuant to the provisions of the Companies Act, 2013.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as Board structure and composition, formation and delegation of responsibilities to Committees, Board processes and their effectiveness, degree of effective communication with the stakeholders.

#### **15. BOARD COMMITTEES**

As on 31 March 2024 the Company is not required to have the Board Committees However, pursuant to Conversion of Pvt Limited Company to Public Limited Company. The Company has constituted the following Board Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders Relationship Committee

#### **16. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:**

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company as on 31<sup>st</sup> March, 2024.

#### **17. VIGILANCE MECHANISM/WHISTLE BLOWER POLICY:**

The Provision fo Whistle blower policy is not applicable to the Company as at year end 31 March 2024. The Company has converted in to a public Limited Company effective from 22 June 2024 and is planning to established a Whistle Blower Policy for Directors and employees to report their genuine concern.

#### **18. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

The provision of Section 178 of Companies Act, 2013 are not applicable to the Company for the financial year ended 31<sup>st</sup> March, 2024.





## 19. DECLARATION OF INDEPENDENT DIRECTORS:

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to the Company for the year ended 31<sup>st</sup> March, 2024. The Company has appointed 5 Independent Directors on to the Board of the Company on 03 July 2024.

1. Mr. Mukund Srinath
2. Mr. Ashok Tandon
3. Mr. Pavan Krishnamurthy
4. Mrs. Vidya Rajarao
5. Mr. Sridhar Ranganathan

## 20. AUDITORS:

### Statutory Auditors:

Messrs Sowmya and Associates, Chartered Accountants, (FRN: 018306S), who were appointed as Statutory Auditors of the Company by the Shareholders for the period of 5 Years in the Sixth Annual General Meeting, have resigned as the Statutory Auditors of the Company w.e.f. 16<sup>th</sup> November, 2023.

Pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and, the Board of Directors of the Company at its meeting held on 12<sup>th</sup> December, 2023, has appointed Messrs MSKA & Associates, Chartered Accountants (FRN No 105047W), for the Financial Year ended 31<sup>st</sup> March, 2024, as the Statutory Auditors of the Company to fill the Casual Vacancy caused by the resignation of Messrs Sowmya and Associates. The appointment of Messrs MSKA & Associates, Chartered Accountants, was approved by the Members at the Extra-Ordinary General Meeting held on 12<sup>th</sup> December 2023.

Further, the Board of Directors, at its meeting held on 03 July 2024, has proposed the appointment of Messrs MSKA & Associates, Chartered Accountants (FRN No 105047W) as Statutory Auditors of the Company for a period of five years, to hold office from the conclusion of the 8<sup>th</sup> AGM till the conclusion of the 13<sup>th</sup> Annual General Meeting of the Company to be held in the year 2029.

### Cost Auditors:

Pursuant to the provisions of the Companies Act, 2013 & the Rules framed thereunder the Cost Audit was not applicable to the Company during the year.

### Secretarial Auditors:

Pursuant to the provisions of the Companies Act, 2013 & the Rules framed thereunder the Secretarial Audit was not applicable to the Company during the year. However for the FY 25 the company has appointed Ms. Kalai Vani as Secretarial Auditor of the Company.



### Internal Auditor:

Pursuant to the provisions of section 138 of the Companies Act, 2013 and rules made thereunder, the Board has appointed M/s NSVM & Co as Internal Auditors of the Company for the financial year 2023-24. The Company has re-appointed the said firm as Internal Auditors for the FY 25

## 21. QUALIFICATIONS IN THE AUDIT REPORT:

There were no qualifications or observations by the Auditors in their Audit Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

## 22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has made investment in subsidiaries and granted loans to subsidiaries during the year as per the provisions of Section 186 of the Companies Act, 2013.

Details of the same are reported in Notes to Accounts to the Financial Statements.

## 23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

The Company has not entered into any contracts or arrangements with the related parties during the financial year 2023-24 to which the provisions of Section 188 of the Companies Act, 2013 apply.

However, there are payments made to persons specified under section 40A(2)(b) of the Income Tax Act, 1961, details of the same are attached in Note No 2.40 of Financial Statements and **Annexure II** - AOC 2.

## 24. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. Your company has identified the following risks:

Key Risks	Mitigation Policies
Competition Risk	By continuous efforts to enhance the brand image of the Company by focusing on improving quality, reducing cost, timely delivery and increasing customer satisfaction.
Cash Flow Risk	By focusing on increasing sales and being very cost sensitive regarding all expenses. Shareholder is willing to increase amount of share capital in the company if needed.
Interest Rate Risk	The company has no outstanding debt.
Sales Cost Risk	By continuous efforts to enhance the brand image of the Company by focusing on improving quality, reducing cost, timely delivery and increasing customer satisfaction.



## **25. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Board of Directors of the Company has constituted Committee on Corporate Social Responsibility in line with the provision of Section 135 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2015.

The Committee has formulated and recommended to the Board CSR policy indicating the project/activities to be undertaken by the Company as specified in the Schedule of the Companies Act, 2013.

The details of the amounts to be spent during the current financial period and the manner in which it was spent are attached as a part of this Annual Report as **Annexure III**.

## **26. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Subsidiary of the Company, “Unimech Healthcare Private Limited” having CIN: U33100KA2022PTC160598, was disinvested by the Company, during the year.

Salient features of the Wholly Owned Subsidiary, “Innomech Aerospace Toolings Private Limited” having CIN: U29200KA2018PTC118006, is attached as an **Annexure I** to this Report.

## **27. DETAILS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

Given the nature of business and size of operations, Your Company’s Internal Financial Control System has been designed to provide for:

- a. Accurate recording of transactions with internal checks and prompt reporting.
- b. Adherence to applicable Accounting Standards and Policies.
- c. Compliance with applicable statutes, policies and management policies and procedures.
- d. Effective use of resources and safeguarding of assets.

This ensures that all transactions are authorized, recorded and reported correctly, and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. An extensive program of internal audits and management reviews supplements the process of internal financial control framework. Properly documented policies, guidelines and procedures are laid down for this purpose. The internal financial control framework has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. The Internal Control System provides for well documented policies/guidelines, authorizations and approval procedures.



The Company has independently conducted the review of financial controls over reporting as at the year end. There was no reportable weakness identified.

## 28. ANNUAL RETURN:

As required under section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014 read with Companies Amendment Act, 2020, an annual return in MGT-7 is prepared and kept at the registered office of the Company and available for the inspection for the Members during business hours on any working day of the Company. Also, the same has been placed on the website of the Company and the same can be assessed at URL: <https://unimechaerospace.com/annual-return>.

## 29.DISCLOSURE RELATING TO REMUNERATION OF EMPLOYEES:

Name and designation of the Employee; Who was employed for a part of the financial year and was in receipt of remuneration for any part of that year in the aggregate, was not less than eight lakh and fifty thousand rupees per month.	NA
Who was employed throughout the financial year and was in receipt of remuneration in the aggregate, was not less than One Crore Two Lakhs Rupees per annum.	NA
Who was employed throughout the financial year or part thereof and was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	NA

## 30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

### (A) Conservation of Energy:

Steps taken / impact on conservation of energy,	The Company has taken various measures towards reducing energy costs by using energy-efficient equipment. The company proposes to evaluate new technologies and invest in energy efficient infrastructure.
(i) Steps taken by the company for utilizing alternate sources of energy including waste generated	Nil
(ii) Capital investment on energy conservation equipment	Not Applicable
Total energy consumption and energy consumption per unit of production as per Form A	The nature of activities of the company is not Energy intensive. Nevertheless wherever possible, the Company has introduced various measures to conserve and minimize the use of energy.

**(B) Technology Absorption:**

Efforts in brief, made towards technology absorption, adaptation and innovation	The Company's efforts are towards absorption and usage of latest technology and innovative methodology to achieve customer satisfaction.
Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	Not Applicable
In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	
Technology imported	Not Applicable
Year of Import	Not Applicable
Has technology been fully absorbed	Not Applicable
If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	Not Applicable

**(C) Research and Development (R&D):**

Specific areas in which R & D carried out by the company	The Company has not carried out any research and development work during the course of the year.
Benefits derived as a result of the above R & D	Not Applicable
Future plan of action	Not Applicable
Expenditure on R & D	
(a) Capital	Nil
(b) Recurring	Nil
(c) Total	Nil
(d) Total R & D expenditure as a percentage of total turnover	Nil

**31. ORDER OF COURT:**

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

**32. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The



Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at Workplace has been released by the Company. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behaviour. Three Member Internal Complaints Committee (ICC) has been set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

No complaints pertaining to sexual harassment was reported during the year.

### **33. MAINTENANCE OF COST RECORDS:**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company.

### **34. COMPLIANCE WITH THE APPLICABLE SECRETARIAL STANDARDS:**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

### **35. APPLICABLE STATUTES TO THE COMPANY:**

The Company has duly complied with all the applicable laws for the operations of its business, including but not limited to, Companies Act, 2013 and rules made there under; Foreign Exchange Management Act, 1999; Income Tax Act, 1961; Custom duty Act, 1962; The Minimum Wages Act, 1948; The Karnataka Shops and Establishments Act, 1961; The Karnataka Tax On Professions, Trades, Callings And Employment Act, 1976; The National & Festival Holidays Act, 1963; The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013; The Information Technology Act, 2000; Integrated Goods and Service Tax Act 2017; Central Goods and Service Tax Act 2017; Karnataka State Goods and Service Tax Act 2017.

### **36. INVESTORS' EDUCATION AND PROTECTION FUND:**

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed Dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the Shares on which Dividend has not been paid or claimed by the Shareholders for seven consecutive years or more shall also be transferred to the Demat account of the IEPF Authority.

During the year under review there were no unpaid or unclaimed amounts required to be transferred to IEPF account.

### **37. FRAUD REPORTING (REQUIRED BY COMPANIES AMENDMENT BILL, 2014):**

There was no report of embezzlement of money during the year.



**38. REVISION OF FINANCIAL STATEMENT OR THE REPORT:**

As per the Secretarial standards-4 in case the company has revised its financial statement or the Report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of a judicial authority, the detailed reasons for such revision shall be disclosed in the Report of the year as well as in the Report of the relevant financial year in which such revision is made.

In your Company there is no revision of Financial Statement took place in any of the three preceding financial years under consideration.

**39. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):**

There is no such process initiated during the year, therefore said clause is not applicable to the Company.

**40. FAILURE TO IMPLEMENT ANY CORPORATE ACTION:**

There were no such events took place during the year under consideration.

**41. INVESTORS' EDUCATION AND PROTECTION FUND:**

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed Dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the Rules, the Shares on which Dividend has not been paid or claimed by the Shareholders for seven consecutive years or more shall also be transferred to the DEMAT account of the IEPF Authority. During the year under review, there were no unpaid or unclaimed amount required to be transferred to IEPF account.

**42. CREDIT RATING OF SECURITIES:**

The Company has not obtained any rating from the credit rating agency for the securities during the year. Therefore, the said clause is not applicable to the Company.

**43. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

Applicable accounting standards have been followed in the preparation of the annual accounts and that no material departures have been made from the same;

Accounting policies have been selected and applied consistently. Judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the FY2023 and of the profit of the Company for that period;

Proper and sufficient care has been taken to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

Annual accounts have been prepared on a going concern basis Adequate internal financial controls for the Company to follow have been laid down and these are operating effectively; and

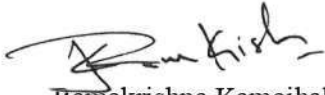
Proper and adequate systems have been devised to ensure compliance with the provisions of all applicable laws and these systems are operating effectively

#### 44. ACKNOWLEDGEMENTS:

The Directors would like to express their grateful appreciation for the assistance and co-operation received from the Franchisees & Business Associates, Banks and Financing Agencies, Customers and Suppliers in India and abroad.

The Directors also wish to place on record their deep sense of appreciation for the committed services of the Executives, Staff and other Employees of the Company. Your Directors also thank the Shareholders for their continued confidence and support.

For and on behalf of  
**Unimech Aerospace and Manufacturing Limited**

  
Anil Kumar Puttan  
Chairman & Managing Director  
DIN: 07683267  
Ramakrishna Kamojhala  
Whole-time Director (Finance)  
DIN :07004517



# Annexure-1

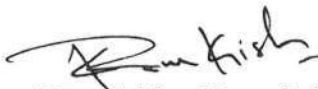
## Report on the highlights of performance of subsidiaries /Associates/Joint Ventures (Pursuant to Rule 8 (1) of Companies (Accounts) Rules, 2014)

SL.NO	PARTICULARS	Details
1	Name of the Company	Innomech Aerospace Tooling's Private Limited
2	Reporting currency	INR (in lakhs)
3	Share capital	Rs.1,01,00,000
4	Reserves & surplus	8,285.36
5	Total liability	5,566.38
6	Total assets	13,952.74
7	Investments	-
8	Turnover	18,653.30
9	Profit before tax	7,379.17
10	Tax Expense	1,740.03
11	Profit after tax	5,639.14
12	% of share holding	100

For and on behalf of  
Unimech Aerospace and Manufacturing Limited

  
Anil Kumar Patten  
Chairman & Managing Director  
DIN: 07683267



  
Ramakrishna Kamojhala  
Whole-time Director (Finance)  
DIN :07004517

**Annexure II**  
**FORM NO. AOC.2**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to.

**(Pursuant to clause (h) of sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**

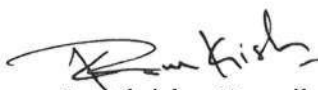
2. **Details of material contracts or arrangements or transactions at arm's length basis:**

Sl. No	PARTICULARS	DETAILS			
(a)	Name(s) of the related party and nature of relationship	Ramakrishna Kamojhala – Director	Innomech Aerospace and Toolings Private Limited (Wholly owned Subsidiary Company)		
(b)	Nature of contracts/ arrangements/ transactions	Professional Consultancy fee	Sale of Products	Interest Income	Fee for Corporate Guarantee
(c)	Duration of the contracts/ arrangements/ transactions	97,14,184	9,76,18,000	48,8000	1,05,00,000
(d)	Salient terms of the contracts or arrangements or transactions including the value: (Rs.)	As per the resolutions approved by the Board	Regular transaction in ordinary course of business	As per the resolutions approved by the Board and the Loan Agreement	As per the resolutions approved by the Board
(e)	Date(s) of approval by the Board:	29.03.2024	29.04.2024	27.04.2018	30.03.2024
(f)	Amount paid as advances, if any:	NA	NA	NA	NA

For and on behalf of  
**Unimech Aerospace and Manufacturing Limited**

  
Anil Kumar Puttan  
Chairman & Managing Director  
DIN: 07683267



  
Ramakrishna Kamojhala  
Whole-time Director (Finance)  
DIN :07004517



### ANNEXURE III

#### TO THE BOARD'S REPORT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2024

#### THE ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company.:
2. Composition of CSR Committee:

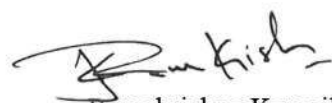
Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
01	Mr. Ramakrishna Kamojhala	Committee member	1	1
02	Mr. Rajanikanth Balaraman	Committee member	1	1
03	Mr. Mani Puttan	Committee member	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.  
[www.unimechaerospace.com](http://www.unimechaerospace.com)
4. Provide the details of executive summary along with web link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 if applicable (attach the report).- NA
5. During the year the provisions of Corporate Social Responsibility as per Section 135 is not applicable to the Company

For and on behalf of  
**Unimech Aerospace and Manufacturing Limited**

  
Anil Kumar Puttan  
Chairman & Managing Director  
DIN: 07683267



  
Ramakrishna Kamojhala  
Whole-time Director (Finance)  
DIN :07004517

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited)**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing 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 standalone 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 standalone 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 standalone 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone 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 Standalone 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 but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





## Responsibilities of Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

## Other Matters

- (a) The Standalone 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 standalone 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 standalone financial statements, are based on the previously issued standalone 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 standalone 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.
  - (d) In our opinion, the aforesaid standalone 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 standalone 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 does not have any pending litigations which would impact its financial position.
    - ii. The Company has long-term contracts as at March 31, 2024 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2024.
    - 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 its 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 its 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.
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 as at March 31, 2024 (Also refer Note 51 to the standalone financial statements).

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

  
**Pankaj S Bhauwala**  
Partner  
Membership No. 233552  
UDIN: 24233552BKBKKN2074



Place: Bengaluru  
Date: July 3, 2024

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING 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.





# MSKA & Associates

Chartered Accountants

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



**Pankaj S Bhauwala**  
Partner  
Membership No. 233552  
UDIN: 24233552BKBKKN2074



Place: Bengaluru  
Date: July 3, 2024

**ANNEXURE B TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING 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 and relevant details of right-of-use assets.  
  
B The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment, and right of use assets were physically verified by the management during the year, in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed 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) The Company has not been sanctioned working capital limits in excess of INR 5 crores during any point of time of the year from Banks or financial institution, on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.





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

(A) The details of such loans, advances, guarantee or security to subsidiary are as follows:

Particulars	Guarantees	Security	Loans	Amount in INR Lakhs
				Advances in the nature of loans
Aggregate amount granted/provided during the year				
- Subsidiaries	2,112.50	-	75.21	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	3,500.00	-	-	-

AND

(B) The details of such loans, advances, guarantee or security to parties (Employees) other than Subsidiaries are as follows:

Particulars	Guarantees	Security	Loans	Amount in INR Lakhs
				Advances in the nature of loans
Aggregate amount granted/provided during the year				
- Others	-	-	-	10.29
Balance Outstanding as at balance sheet date in respect of above cases				
- Others	-	-	-	6.45

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 guarantees provided, securities given and terms and conditions in relation to grant of advances in the nature of loans, guarantees provided and securities given are not prejudicial to the interest of the Company.
- (c) The loans are repayable on demand, which have repaid during the year. Accordingly, in our opinion the repayments of principal amounts and receipts of interest are regular (Refer reporting under clause 3(iii)(f) below).



- (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 loans and/ or advances in the nature of loans, granted to Company and 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 granted loans/advances in the nature of loans repayable on demand. The details of the same are as follows:

Particulars	Amount in INR Lakhs		
	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	-	-	75.21
- Agreement does not specify any terms or period of repayment (B)	-	-	-
<b>Total (A+B)</b>	-	-	<b>75.21</b>
Percentage of loans/ advances in nature of loans to the total loans	-	-	100%

- iv. The Company is a private company as at March 31, 2024 (Refer note 51) 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 loans, 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	9.17	1.83	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, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone 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) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.
- ix. (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. 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.
- 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. The Company has converted into Public Limited Company with effect from June 21, 2024. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Companies Act, 2013 as it was 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. 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.
- 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 standalone 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.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 45 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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, provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

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

  
**Pankaj S Bhauwala**  
Partner  
Membership No.233552  
UDIN: 24233552BKBKKN2074



Place: Bengaluru  
Date: July 3, 2024



**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING 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 Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing 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 standalone financial statements of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone 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 standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to standalone 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 standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 standalone financial statements, whether due to fraud or error.

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


**Meaning of Internal Financial Controls With reference to Standalone Financial Statements**

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone 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 standalone 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 standalone financial statements.

**Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements**

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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

  
**Pankaj S Bhauwala**  
Partner  
Membership No. 233552  
UDIN: 24233552BKBKKN2074



Place: Bengaluru  
Date: July 3, 2024

Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U30305KA2016PLC095712  
Standalone 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
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	350.28	330.59	359.03
Capital work-in-progress	4	2.38	3.97	-
Right-of-use assets	5	85.94	160.44	240.66
Intangible assets	6	2.62	4.04	19.80
<b>Financial assets</b>				
Investments	7	173.82	260.34	104.33
Other financial assets	9	70.63	49.49	92.85
Income tax assets	16(a)	-	4.00	6.77
Deferred tax assets (net)	36	47.91	67.50	27.89
Other non-current assets	10	6.07	20.71	1/-
<b>Total non-current assets</b>		<b>739.65</b>	<b>901.08</b>	<b>851.33</b>
<b>Current assets</b>				
Inventories	11	617.71	404.02	395.78
<b>Financial assets</b>				
Loans	8	-	754.38	684.85
Trade receivables	12	844.44	834.95	696.56
Cash and cash equivalents	13	514.30	99.76	106.88
Bank balances other than cash and cash equivalents	14	46.14	218.56	243.86
Other financial assets	15	435.38	71.48	56.61
Current tax assets (net)	16(b)	152.17	-	21.81
Other current assets	17	475.75	204.40	311.90
<b>Total current assets</b>		<b>3,085.89</b>	<b>2,587.55</b>	<b>2,518.25</b>
<b>Total assets</b>		<b>3,825.54</b>	<b>3,488.63</b>	<b>3,369.58</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	18	2,200.26	104.23	104.23
Other equity	19	447.26	2,275.63	2,042.27
<b>Total equity</b>		<b>2,647.52</b>	<b>2,379.86</b>	<b>2,146.50</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	20	-	29.68	92.34
Lease liabilities	5	-	95.15	177.40
Other financial liabilities	21	-	85.52	74.11
Provisions	22	-	115.47	85.58
<b>Total non-current liabilities</b>		<b>-</b>	<b>325.82</b>	<b>429.43</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	23	200.00	333.83	344.42
Lease liabilities	5	104.09	82.25	70.69
Trade payables	24	-	-	-
Total outstanding dues of micro enterprises and small enterprises		83.79	39.71	38.79
Total outstanding dues of creditors other than micro enterprises and small enterprises		491.58	119.85	189.14
Other financial liabilities	21	110.61	140.74	77.37
Other current liabilities	25	66.70	16.03	52.63
Provisions	22	121.25	38.26	20.61
Current tax liabilities (net)	26	-	12.28	-
<b>Total current liabilities</b>		<b>1,178.02</b>	<b>782.95</b>	<b>793.65</b>
<b>Total liabilities</b>		<b>1,178.02</b>	<b>1,108.77</b>	<b>1,223.08</b>
<b>Total equity and liabilities</b>		<b>3,825.54</b>	<b>3,488.63</b>	<b>3,369.58</b>

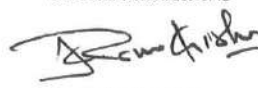
The accompanying notes are an integral part of these standalone financial statements.

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  
Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U30305KA2016PLC095712

  
Ramakrishna Kamohala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024

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



  
Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024



Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN:U30305KA2016PLC095712  
Standalone 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
<b>Income</b>			
Revenue from operations	27	3,069.97	2,841.36
Other income	28	225.02	144.50
<b>Total income</b>		<b>3,294.99</b>	<b>2,985.86</b>
<b>Expenses</b>			
Cost of materials consumed	29	1,211.89	910.88
Changes in inventories of finished goods and work-in-progress	30	(196.02)	(179.11)
Subcontracting charges	31	507.53	271.17
Employee benefits expense	32	771.17	591.06
Finance costs	33	25.67	54.33
Depreciation and amortisation expense	34	183.02	193.89
Other expenses	35	453.58	883.62
<b>Total expenses</b>		<b>2,956.84</b>	<b>2,725.84</b>
<b>Profit before tax</b>		<b>338.15</b>	<b>260.02</b>
<b>Income tax expense/(credit)</b>	36		
Current tax		74.47	92.08
Deferred tax		21.18	(44.80)
<b>Total income tax expense</b>		<b>95.65</b>	<b>47.28</b>
<b>Profit for the year</b>		<b>242.50</b>	<b>212.74</b>
<b>Other comprehensive income</b>			
<b>Item that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment defined benefit plans		(6.33)	25.81
Income tax relating to the above item		1.59	(5.19)
<b>Other comprehensive income for the year</b>		<b>(4.74)</b>	<b>20.62</b>
<b>Total comprehensive income for the year</b>		<b>237.76</b>	<b>233.36</b>
<b>Earnings per equity share</b>	38		
Basic (INR)		0.55	0.48
Diluted (INR)		0.55	0.48

The accompanying notes are an integral part of these standalone 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  
Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712



Ramakrishna Kamojhal  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024



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



Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024



Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN:U30305KA2016PLC095712  
Standalone 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
<b>Cash flows from operating activities</b>		
Profit before tax	338.15	260.02
Adjustments for:		
Depreciation and amortisation expenses	183.02	193.89
Unrealised foreign exchange gain/loss	(73.01)	16.52
Expected credit loss allowance and liquidated damages	6.50	10.68
Finance costs	25.67	54.33
Interest income	(41.12)	(50.90)
Guarantee Income	(105.00)	(51.80)
Profit on sale of Property, plant and equipment and intangibles	(10.35)	(3.00)
Profit on sale of investment	(0.20)	-
<b>Operating profit before working capital changes</b>	<b>323.66</b>	<b>429.74</b>
<b>Changes in operating assets and liabilities</b>		
Decrease/ (increase) in inventories	(213.69)	(8.24)
Decrease/ (increase) in trade receivables	56.79	(167.35)
Decrease/ (increase) in loans	756.19	(67.88)
Decrease/ (increase) in other financial assets	(401.06)	105.69
Decrease/ (increase) in other current assets	(271.35)	107.50
Decrease/ (increase) in other non current assets	14.64	(20.71)
Increase/ (decrease) in trade payables	415.65	(69.80)
Increase/ (decrease) in other current liabilities	50.67	(36.60)
Increase / (decrease) in provisions	(38.81)	21.73
Increase/ (decrease) in other financial liabilities	(30.14)	63.37
<b>Cash generated from operations</b>	<b>662.55</b>	<b>357.45</b>
Income taxes paid	(234.92)	(57.88)
<b>Net cash flows from operating activities (A)</b>	<b>427.63</b>	<b>299.57</b>
<b>Cash flows from investing activities</b>		
Payments for acquisition of property, plant and equipment	(142.53)	(79.35)
Payments for acquisition of intangible assets	(2.89)	(3.60)
Proceeds from sale of bank deposits	188.44	7.94
Proceeds from sale of intangible assets	-	12.50
Proceeds from disposal of property, plant and equipment	42.00	-
Proceeds from sales of investments	1.20	-
Payments for purchase of investments	-	(101.00)
Guarantee fee charged to subsidiary	105.00	-
Interest received	39.31	48.66
<b>Net cash flows from/ (used in) investing activities (B)</b>	<b>230.53</b>	<b>(114.85)</b>
<b>Cash flows from financing activities</b>		
Proceeds/ (repayment) of borrowings	(133.61)	(71.72)
Finance costs paid	(11.27)	(30.38)
Principal paid on lease liabilities	(84.76)	(70.69)
Interest paid on lease liabilities	(14.24)	(19.31)
<b>Net cash flows used in financing activities (C)</b>	<b>(243.88)</b>	<b>(192.10)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>414.28</b>	<b>(7.38)</b>
Cash and cash equivalents at the beginning of the year	99.76	106.88
Effects of exchange rate changes on cash and cash equivalents	0.26	0.26
<b>Cash and cash equivalents at the end of the year</b>	<b>514.30</b>	<b>99.76</b>
<b>Cash and cash equivalents comprise</b>		
Balances with banks:		
In current accounts	369.29	60.74
In EEFC accounts	44.96	38.71
Deposit with original maturity of less than 3 months	100.05	-
Cash on hand	-	0.31
<b>Total cash and cash equivalents at end of the year</b>	<b>514.30</b>	<b>99.76</b>

Refer to note 23.1 for reconciliation of movements of liabilities to cash flows arising from financing activities.

The accompanying notes are an integral part of these standalone 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  
Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712

Ramakrishna Kamohala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024

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



Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024

Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN:U30305KA2016PLC095712  
Standalone 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 18)

Equity shares of INR 5 each issued, subscribed and fully paid

	Year ended March 31, 2024	
	No. of shares	Amount
Balance as at April 1, 2023	1,04,230	104.23
Add: Increase in shares due to conversion of debentures	544	0.55
Add: Increase in shares due to share split	19,90,706	-
Add: Bonus issue during the year	4,19,09,600	2,095.48
Balance as at March 31, 2024	4,40,05,080	2,200.26

Equity shares of INR 100 each issued, subscribed and fully paid

	Year ended March 31, 2023	
	No. of shares	Amount
Balance as at April 1, 2022	1,04,230	104.23
Balance as at March 31, 2023	1,04,230	104.23

(B) Other equity (Note 19)

Reserves and surplus - Retained earnings

	Amount
Balance as at April 1, 2023 (Note 19.1)	2,275.63
Profit for the year	242.50
Other comprehensive income for the year, net of tax	(4.74)
Total comprehensive income for the year	2,513.39
Transactions with owners in their capacity as owners	
Utilised on issue of bonus shares	(2,066.13)
Balance as at March 31, 2024	447.26

	Amount
Balance as at April 1, 2022 (Note 19.1)	2,042.27
Profit for the year	212.74
Other comprehensive income for the year, net of tax	20.62
Total comprehensive income for the year	233.36
Balance as at March 31, 2023	2,275.63

Reserves and surplus - Securities Premium

	Amount
Balance as at April 1, 2023	-
Premium collected on conversion of convertible debentures	29.35
Utilised on issue of bonus shares	(29.35)
Balance as at March 31, 2024	-

The accompanying notes are an integral part of these standalone 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  
Unimech Aerospace and Manufacturing Limited  
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CIN: U29200KA2016PTC095712

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Place: Germany  
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Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024





Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN:U30305KA2016PLC095712  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

**1 Corporate Information**

Unimech Aerospace and Manufacturing Limited (Formerly known as Unimech Aerospace and Manufacturing Private Limited) ("the Company") was originally incorporated as a private limited company on August 12, 2016 and is converted into a public limited company on June 21, 2024, with Company identification no: U30305KA2016PLC095712. The Company's registered office is at #538, 539, 542 & 543, 14th cross, 7th main, 4th phase, peenya industrial area, Bengaluru, Karnataka -560058.

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.

These financial statements were approved for issue in accordance with a resolution of the board of 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 standalone 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 standalone financial statements of the Company up to year ended March 31, 2023 ("statutory financial statements") 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 standalone 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 37 for reconciliation of equity and total comprehensive income as per the standalone financial statements as at and for the years ended March 31, 2023 and 2022 and the statutory standalone financial statements as at and for the years ended March 31, 2023 and 2022.

**(b) Basis of measurement**

The standalone 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 standalone 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
Plant and equipment	4 to 7.5 years
Furniture and fixtures	4 years
Computers	3 years
Office equipment	4 to 5 years
Vehicles	8 years
Leasehold improvements	Over useful life as per Schedule II or the remaining period of Lease term, whichever is lower

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and 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, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.



(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.

(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 contract with customer**

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 and sale of services is recognised at the point in time by measuring the progress towards complete satisfaction of performance obligations during the reporting period.

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.





Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN:U30305KA2016PLC095712  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

**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.

**(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.



#### 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:

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

##### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

##### 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.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.



(q) **Investment in subsidiaries**

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the standalone statement of profit and loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the standalone statement of profit and loss.

(r) **Interest Income is recognised using effective interest rate method.** The effective interest rate is rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

**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 and contract assets**

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.





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3 Property, plant and equipment

	Plant, Machinery and equipment	Furniture and fixtures	Computers	Office equipment	Vehicles	Leasehold improvements	Total
Gross block							
Balance as at April 1, 2022 (Note 3.1)	299.12	7.60	9.52	20.51	6.98	15.30	359.03
Additions	17.89	21.39	27.54	8.56	-	-	75.38
Balance as at March 31, 2023	317.01	28.99	37.06	29.07	6.98	15.30	434.41
Additions (Includes transfer from CWIP)	118.05	2.29	8.30	3.92	-	11.56	144.12
Disposals	(48.00)	-	-	-	-	-	(48.00)
Balance as at March 31, 2024	387.06	31.28	45.36	32.99	6.98	26.86	530.53
Accumulated depreciation							
Balance as at April 1, 2022	-	-	-	-	-	-	-
Depreciation for the year	58.33	7.36	9.58	12.28	0.97	15.30	103.82
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2023	58.33	7.36	9.58	12.28	0.97	15.30	103.82
Depreciation for the year	59.55	7.26	13.16	10.25	0.92	1.64	92.78
Disposals	(16.35)	-	-	-	-	-	(16.35)
Balance as at March 31, 2024	101.53	14.62	22.74	22.53	1.89	16.94	180.25
Net block							
Balance as at March 31, 2024	285.53	16.66	22.62	10.46	5.09	9.92	350.28
Balance as at March 31, 2023	258.68	21.63	27.48	16.79	6.01	-	330.59
Balance as at April 1, 2022	299.12	7.60	9.52	20.51	6.98	15.30	359.03

3.1 Deemed Cost

For the purpose of preparation of these special purpose financial statements, the Company has used the carrying value of its Property, Plant or Equipment recognised as of April 1, 2022 measured as per the Indian GAAP as its deemed cost as on April 1, 2022 (Note 37).

3.2 Property, plant and equipment hypothecated as security

Refer to note 48 for information on property, plant and equipment hypothecated as security by the Company.

3.3 Contractual obligations

Refer to note 49 for details on contractual commitments for acquiring property, plant and equipment.

4 Capital work-in-progress (CWIP)

Particulars	Amount
Balance as at April 1, 2022	-
Additions	18.39
Transfers	(14.42)
Balance as at March 31, 2023	3.97
Additions	38.55
Transfers	(40.14)
Balance as at March 31, 2024	2.38

4.1 CWIP ageing schedule

As at March 31, 2024

Particulars	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	2.38	-	-	-	2.38
Total	2.38	-	-	-	2.38



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As at March 31, 2023

Particulars	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	3.97	-	-	-	3.97
<b>Total</b>	<b>3.97</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3.97</b>

As at April 1, 2022

Particulars	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	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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 40.14 lakhs (March 31, 2023: INR 14.42 lakhs, April 1, 2022: INR Nil) has been capitalised under plant and equipment during the year ended March 31, 2024.



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5 Right-of-use assets/ Leases

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

	Buildings
Gross block	
As at April 1, 2022	320.11
Additions during the year	-
As at March 31, 2023	320.11
Additions during the year	11.44
As at March 31, 2024	331.55
Accumulated amortisation	
As at April 1, 2022	79.45
Amortisation for the year	80.22
As at March 31, 2023	159.67
Amortisation for the year	85.94
As at March 31, 2024	245.61
Net Block	
As at April 1, 2022	240.66
As at March 31, 2023	160.44
As at March 31, 2024	85.94

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

	Amount
As at April 1, 2022	248.09
Additions during the year	-
Interest expense on lease liabilities	19.31
Payments during the year	(90.00)
As at March 31, 2023	177.40
Additions during the year	11.45
Interest expense on lease liabilities	14.24
Payments during the year	(99.00)
As at March 31, 2024	104.09

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Non-current	-	95.15	177.40
Current	104.09	82.25	70.69
Total	104.09	177.40	248.09

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 33)	14.24	19.31
Amortisation of right-of-use assets (Refer note 34)	85.94	80.22

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	99.00	90.00
Total	99.00	90.00





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6 Intangible assets

	Software
Gross block	
Balance as at April 1, 2022 (Note 6.1)	19.80
Additions	3.60
Disposals	(10.80)
Balance as at March 31, 2023	12.60
Additions	2.89
Disposals	-
Balance as at March 31, 2024	15.49
Accumulated amortisation	
Balance as at April 1, 2022	-
Amortisation for the year	9.86
Disposals	(1.30)
Balance as at March 31, 2023	8.56
Amortisation for the year	4.31
Disposals	-
Balance as at March 31, 2024	12.87
Net block	
Balance as at March 31, 2024	2.62
Balance as at March 31, 2023	4.04
Balance as at April 1, 2022	19.80

6.1 Deemed cost

For the purpose of preparation of these financial statements, the Company has used the carrying value of its intangible assets recognised as of April 1, 2022 measured as per the Indian GAAP as its deemed cost as on April 1, 2022 (Note 37).



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7 Investments

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Non-current investments			
Investment in equity instruments (fully paid-up)			
Investment in subsidiaries			
Unquoted equity shares			
Innomech Aerospace Toolings Private Limited 1,00,999 (March 31, 2023: 1,00,999, April 1, 2022: 999) equity shares of INR 100 each fully paid-up in Innomech Aerospace Toolings Private Limited	173.82	259.34	104.33
Unimech Healthcare Private Limited (Refer note 7.2) Nil (March 31, 2023: 999, April 1, 2022: Nil) equity shares of INR 100 each fully paid-up in Unimech Healthcare Private Limited	-	1.00	-
<b>Total non-current investments</b>	<b>173.82</b>	<b>260.34</b>	<b>104.33</b>
Aggregated amount of unquoted investments	173.82	260.34	104.33

- 7.1 The Company had incorporated Innomech Aerospace Toolings Private Limited on October 26, 2018 at Aerospace Park SEZ, Devanhalli, Bengaluru. This entity is a wholly owned by the Company and initially subscribed 999 shares at INR 100 each. The minority share of 1 share @ INR 100 is held by Anil Kumar Puthan (Nominee share holder). Further, during FY 22-23, the company additionally subscribed 1,00,000 shares at INR 100 each
- 7.2 The Company had incorporated a new subsidiary company by name Unimech Healthcare Private Limited on April 27, 2022 in Peenya Industrial Area, Bengaluru. This entity is wholly owned by the Company and having 999 shares @ INR 100 each subscribed. The minority share of 1@ INR 100 is held by Ramakrishna Kamajhala (Nominee share holder). The said investment was disposed during the year ended March 31, 2024.
- 7.3 The cost of investments in Innomech Aerospace Toolings Private Limited includes an amount of Rs. 72.82 Lakhs (March 31, 2023: Rs.158.33 Lakhs; April 1, 2022: Rs.103.33 Lakhs) relating to fair value of guarantees issued by the Company to various Banks and Financial Institutions for borrowings availed by Innomech Aerospace Toolings Private Limited.



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8 Loans

	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Non Current	Current	Non Current	Current	Non Current	Current
At amortised cost						
Loans to related parties (Note 40.3)						
Unsecured, considered good	-	-		754.38	-	684.85
Total loans	-	-	-	754.38	-	684.85

- 8.1 The following disclosures shall be made where loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Particulars					As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
Type of borrower	Loans or advances granted individually or jointly with any other person. (Individually / Jointly)	Rate of Interest	Repayable on demand (Yes / No)	Terms or period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date*	% of Total	Amount outstanding	% of total	Amount outstanding	% of total
Subsidiaries	Individually	6%	Yes	No	-	0%	754.38	100%	694.99	100%
Total					-	0%	754.38	100%	694.99	100%

9 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	27.01	21.89	47.90
Deposit with original maturity greater than 12 months	43.62	27.60	44.95
Total other financial assets	70.63	49.49	92.85

Refer to note 41 for information about the Company's exposure to financial risks.

10 Other non-current assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
At amortised cost			
Capital advances	6.07	18.73	-
Prepaid expenses	-	1.98	-
Total other non-current assets	6.07	20.71	-

11 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)*	57.80	40.13	211.00
Work-in-progress	559.91	339.60	184.78
Finished goods	-	24.29	-
Total inventories	617.71	404.02	395.78

\* Includes goods in transit of INR 9.11 lakhs (March 31, 2023: Nil and March 31, 2022: Nil)

11.1 Inventories hypothecated as security

Refer to note 48 for information on inventories hypothecated as security by the Company.





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12 Trade receivables

	Notes	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Considered good - unsecured		877.40	861.41	712.34
Less: Expected credit loss allowance	41.3	(22.74)	(19.02)	(14.59)
Less: Liquidated damages	41.3	(10.22)	(7.44)	(1.19)
<b>Trade receivables - net</b>		<b>844.44</b>	<b>834.95</b>	<b>696.56</b>
Amounts due from related parties out of the above trade receivables [Note 40.3(c)]		-	40.80	513.63

12.1 Trade receivables ageing schedule

As at March 31, 2024

	Not Due	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	444.75	400.72	26.25	5.28	0.40	-	877.40
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	-	-	-	-	-	-	-
<b>Sub total</b>	<b>444.75</b>	<b>400.72</b>	<b>26.25</b>	<b>5.28</b>	<b>0.40</b>	<b>-</b>	<b>877.40</b>
Less: Expected credit loss allowance							(22.74)
Less: Liquidated damages							(10.22)
<b>Total</b>							<b>844.44</b>

As at March 31, 2023

	Not Due	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	481.25	346.70	17.76	0.47	-	15.23	861.41
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	-	-	-	-	-	-	-
<b>Sub total</b>	<b>481.25</b>	<b>346.70</b>	<b>17.76</b>	<b>0.47</b>	<b>-</b>	<b>15.23</b>	<b>861.41</b>
Less: Expected credit loss allowance							(19.02)
Less: Liquidated damages							(7.44)
<b>Total</b>							<b>834.95</b>

As at April 1, 2022

	Not Due	Less than 6 months	6 months - 1 year	1-2 years years	2-3 years	More than 3 years	Total
Undisputed trade receivables - considered good	579.29	83.92	28.00	7.05	-	14.08	712.34
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	-	-	-	-	-	-	-
<b>Sub total</b>	<b>579.29</b>	<b>83.92</b>	<b>28.00</b>	<b>7.05</b>	<b>-</b>	<b>14.08</b>	<b>712.34</b>
Less: Expected credit loss allowance							(14.59)
Less: Liquidated damages							(1.19)
<b>Total</b>							<b>696.56</b>

12.2 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 receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

12.3 Trade receivables are non-interest bearing and are generally on terms of 30 to 120 days.

12.4 Refer to note 41 for information about the Company's exposure to financial risks.

12.5 Refer to note 48 for information on trade receivables hypothecated as security by the Company.



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13 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	369.29	60.74	94.68
In EEFC accounts	44.96	38.71	12.17
Deposit with original maturity for less than 3 months	100.05	-	-
Cash on hand	-	0.31	0.03
<b>Total cash and cash equivalents</b>	<b>514.30</b>	<b>99.76</b>	<b>106.88</b>

Refer to note 48 for information on cash and cash equivalents hypothecated as security by the Company and note 41 for information about the Company's exposure to financial risks.

14 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			
Deposit with original maturity for more than 3 months but less than 12 months	23.82	33.99	-
Deposits held as margin money for guarantee	22.32	184.57	220.18
Earmarked balances with banks	-	-	23.68
<b>Total bank balances other than cash and cash equivalents</b>	<b>46.14</b>	<b>218.56</b>	<b>243.86</b>

Refer to note 48 for information on bank balances other than cash and cash equivalents hypothecated as security by the Company and note 41 for information about the Company's exposure to financial risks.

15 Other financial assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Current			
At amortised cost			
Advances to employees	6.45	0.88	3.49
Other receivables	6.50	8.51	1.57
Deposit with original maturity for more than 3 months but less than 12 months	422.43	62.09	51.55
<b>Total other financial assets</b>	<b>435.38</b>	<b>71.48</b>	<b>56.61</b>

Refer to note 48 for information on other current financial assets hypothecated as security by the Company and note 41 for information about the Company's exposure to financial risks.

16 Tax Assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
16(a) Non-Current Income tax assets			
Advance income tax	-	4.00	6.77
	-	4.00	6.77

16(b) Current tax assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Advance income tax (net of provision for Income tax: INR 70.47 lakhs, March 31, 2022: Nil)	152.17	-	21.81
<b>Total current tax assets</b>	<b>152.17</b>	<b>-</b>	<b>21.81</b>

17 Other current assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Advances to suppliers	94.19	108.97	51.87
Balances with government authorities	225.08	60.01	213.02
Prepaid expenses	14.73	5.32	9.06
Government incentives	-	30.10	37.95
Other receivables (refer note 17.1)	141.75	-	-
<b>Total other current assets</b>	<b>475.75</b>	<b>204.40</b>	<b>311.90</b>

Refer to note 48 for information on other current assets hypothecated as security by the Company.

17.1 During the year ended March 31, 2024, the Company has incurred expenses towards proposed Initial Public Offering ("IPO") of its equity shares and the qualifying expenses attributable to the proposed issue of equity shares has been recognised as other current assets. The Company expects to recover certain amounts from its shareholders and the balance amount would be netted off in securities premium account in accordance with Section 52 of the Companies Act, 2013 upon the shares being issued.



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18 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
<b>Authorised</b>						
Equity shares of INR 5 each (2023: INR 100 each, 2022: INR 100 each)	6,00,00,000	3,000.00	1,10,000	110.00	1,10,000	110.00
	6,00,00,000	3,000.00	1,10,000	110.00	1,10,000	110.00
<b>Issued, subscribed and paid up</b>						
Equity shares of INR 5 each (2023: INR 100 each, 2022: INR 100 each), fully paid-up	4,40,05,080	2,200.26	1,04,230	104.23	1,04,230	104.23
<b>Total</b>	4,40,05,080	2,200.26	1,04,230	104.23	1,04,230	104.23

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

	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
<b>Equity shares</b>						
Outstanding at the beginning of the year	1,04,230	104.23	1,04,230	104.23	1,04,230	104.23
Add: Increase in shares due to conversion of debentures	544	0.55	-	-	-	-
Add: Increase in shares due to share split	19,90,706	-	-	-	-	-
Add: Bonus issue during the year	4,19,09,600	2,095.48	-	-	-	-
<b>Outstanding at the end of the year</b>	4,40,05,080	2,200.26	1,04,230	104.23	1,04,230	104.23

(a) Increase in authorised share capital and Sub-division/ Split of equity shares

Pursuant to the Shareholders resolution dated December 23, 2023, the Company split 1,10,000 equity shares of INR 100 each divided into 22,00,000 equity shares of INR 5 each and increased authorized share capital of the Company from INR 110.00 lakhs to INR 3,000.00 lakhs by additional creation of 5,78,00,000 equity share of INR 5 each.

(b) Bonus issue of equity shares

Pursuant to the Shareholders resolution dated December 27, 2023, the Company has issued 419,09,600 equity shares having face value of INR 5 each by way of bonus issue to its shareholders by utilising an amount of INR 2,095.48 lakhs from the balance in retained earnings and securities premium in the ratio of 1:20. The paid-up share capital of the Company has been increased to 4,40,05,080 equity shares of face value of INR 5 each as at March 31, 2024.

18.2 Rights, preferences and restrictions attached to shares

Equity shares have a face value of INR 5 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.

18.3 Equity shares held by holding/ ultimate holding company and by their subsidiaries

No equity shares of the Company are held by its holding company or its ultimate holding company including shares held by subsidiaries of the holding company or the ultimate holding company as all shareholders of the entity are individuals.

18.4 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	Number of shares	% of holding in the class	Number of shares	% of holding in the class
<b>Equity shares of INR 5 each fully paid-up (2023: INR 100 each, 2022: INR 100 each)</b>						
Rashmi Anil Kumar	15,40,180	3.50%	35,439	34.00%	35,439	34.00%
Anil Kumar Puthan	1,33,44,200	30.32%	-	-	-	-
Ramakrishna Kamojhala	78,79,620	17.91%	18,761	18.00%	18,761	18.00%
Mani Puthan	78,79,620	17.91%	18,761	18.00%	18,761	18.00%
Preetham Shimoga	52,53,360	11.94%	12,508	12.00%	12,508	12.00%
Rajanikanth Balaraman	78,79,620	17.91%	18,761	18.00%	18,761	18.00%

18.5 Aggregate number of shares issued pursuant to contract without payment being received in cash, for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date

There are no such shares issued, allotted or bought back during the period of five years immediately preceding the reporting date.

18.6 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.





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18.7 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		
	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
Equity shares of INR 5 each fully paid-up (2023: INR 100 each, 2022: INR 100 each)									
Anil Kumar Puthan	1,33,44,200	30.32%	100.00%	-	-	-	-	-	-
Ramakrishna Kamohala	78,79,620	17.91%	41900.00%	18,761	18.00%	0.00%	18,761	18.00%	0.00%
Mani Puthan	78,79,620	17.91%	41900.00%	18,761	18.00%	0.00%	18,761	18.00%	0.00%
Preetham Shimoga	52,53,360	11.94%	41900.00%	12,508	12.00%	0.00%	12,508	12.00%	0.00%
Rajanikanth Balaraman	78,79,620	17.91%	41900.00%	18,761	18.00%	0.00%	18,761	18.00%	0.00%
Rashmi Anil Kumar	15,40,180	3.50%	4246.00%	35,439	34.00%	0.00%	35,439	34.00%	0.00%
Total	4,37,76,600	99.48%		1,04,230	100.00%		1,04,230	100.00%	

19 Other equity

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Reserves and surplus			
Retained earnings (Note 19.1)	447.26	2,275.63	2,042.27
Total other equity	447.26	2,275.63	2,042.27

19.1 Movement in reserves and surplus

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Retained earnings			
Opening balance	2,275.63	2,042.27	2,158.95
Profit for the year	242.50	212.74	(116.96)
Utilised on issue of bonus shares (Refer note 18.1 (b))	(2,066.13)	-	-
Items of OCI recognised directly in retained earnings			
Remeasurements of post-employment defined benefit plans (net of tax)	(4.74)	20.62	0.28
Closing balance	447.26	2,275.63	2,042.27
Securities Premium			
Opening balance	-	-	-
Premium collected on conversion of convertible debentures	29.35	-	-
Utilised on issue of bonus shares	(29.35)	-	-
Closing balance	-	-	-

19.2 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 and these can be utilised as per the Provisions of the Companies Act, 2013.

20 Non-current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Secured			
Term loans			
From bank	-	50.27	71.01
From a financial institution	-	18.61	33.89
Unsecured			
Debentures			
0.01% Convertible debentures	-	-	26.64
Less: Current maturities of long term debts	-	(39.20)	(39.20)
Total non-current borrowings	-	29.68	92.34

The details of financial and non-financial assets hypothecated as security for borrowings are disclosed in note 48.

Refer to note 41 for information about the Company's exposure to financial risks.



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20.1 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) Term loan from bank -Secured by way of hypothecation of machinery acquired out of loan availed	N.A.	N.A.	Floating interest rate Linked to Repo rate	-	50.27	71.01
(ii) Term loan from a financial institution -Secured by way of hypothecation of CNC Vertical Machining Center	N.A.	N.A.	10.50%	-	18.61	33.89
(iii) Convertible Debentures	N.A.	N.A.	0.01%	-	29.30	26.64

During the year ended March 31, 2018, the Company issued 15,000 debentures at a face value of INR 100 each and during the year ended March 31, 2019, the Company issued 15,000 debentures at a face value of INR 100 each. In the event of Company secures the participation from a financial investor, venture capitalist, private equity players etc for their growth plans in 3 years time, the existing debentures would be converted in to equity shares at the valuation set by the financial investors or venture capitalist. In case Company fails to secure the participation from the major investor, the Company shall be obliged to convert the debentures in to shares at nil discount in accordance with the registered valuer or chartered accountant, however the investor will have a right to ask for repayment of debentures along with the interest after 3 years. In such event, the Company is obliged to repay the principle along with the interest at nominal rate of 0.01% simple rate of interest. The fair value of the liability was determined as at April 1, 2021. The fair value of the liability, included in non-current borrowings, at inception was calculated using a market interest rate for an equivalent instrument without conversion option. The discount rate applied was 9.25%.

Movement in carrying amount of liability during the year is as follows:

	Amount
Carrying amount of liability as at April 1, 2022	26.64
Interest	2.66
Carrying amount of liability as at March 31, 2023	29.30
Interest	0.70
Converted into equity shares	(30.00)
Carrying amount of liability as at March 31, 2024	-

	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
(iv) Indian rupee term loans from banks -Secured by way of hypothecation of Company's entire current asset both present and future	N.A.	August 2024	Repo rate+1.5% i.e., 8%	200.00	-	-
(v) Euro term loans from banks -Secured by way of hypothecation of Company's entire current asset both present and future	N.A.	N.A.	6 months Libor +1.75%	-	265.33	305.22

20.2 Disclosure on bank guarantees

The company has given corporate guarantee for the loans availed by Innomech Aerospace Toolings Private Limited, a wholly owned subsidiary of the Company to the extent of INR 3,500.00 lakhs (March 31, 2023; INR 1,387.50 lakhs, March 31, 2022; INR 1,261.00 lakhs) to M/s Axis Bank Limited, Bangalore.

21 Other financial liabilities

Other financial liabilities		Non-current			Current	
Particulars	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
Security deposits	-	-	-	-	11.64	11.64
Employee benefits payable	-	-	-	104.96	118.68	61.53
Guarantee liability	-	85.52	74.11	-	-	-
Interest accrued and due on borrowings	-	-	-	-	0.02	0.01
Other payables	-	-	-	3.38	10.40	4.19
Capital creditors	-	-	-	2.27	-	-
Total	-	85.52	74.11	110.61	140.74	77.37

\*Refer to note 40.3 for information relating to other payables to related parties.

22 Provisions

Provisions	Non-current			Current		
Particulars	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 and warranty costs	-	-	-	17.64	18.87	8.54
Provision for employee benefits	-	-	-	-	-	-
Gratuity (Note 39(b))	-	13.78	11.68	8.77	0.70	0.57
Longevity bonus	-	101.69	73.90	64.81	3.49	1.60
Compensated absences	-	-	-	30.03	15.20	9.90
<b>Total provisions</b>	<b>-</b>	<b>115.47</b>	<b>85.58</b>	<b>121.25</b>	<b>38.26</b>	<b>20.61</b>



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22.1 Movement in provision for warranties

	Amount
Balance as at April 1, 2023	18.87
Provision charged to Statement of profit and loss	13.39
Provisions utilised/reversed during the year	(14.62)
Balance as at March 31, 2024	17.64
	Amount
Balance as at April 1, 2022	8.54
Provision charged to Statement of profit and loss	30.11
Provisions utilised/reversed during the year	(19.78)
Balance as at March 31, 2023	18.87

23 Current borrowings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Secured</b>			
Term Loan			
From bank			
Indian Rupee loans	200.00	-	-
Euro loans	-	265.33	305.22
Current maturities of long term debts			
Term loan from bank	-	20.87	20.87
Term loan from a financial institution	-	18.33	18.33
<b>Unsecured</b>			
Current maturities of long term debts			
0.01% Convertible debentures	-	29.30	-
<b>Total current borrowings</b>	<b>200.00</b>	<b>333.83</b>	<b>344.42</b>

The details of financial and non-financial assets hypothecated for borrowings are disclosed in Note 48.

Refer to note 41 for information about the Company's exposure to financial risks.

23.1 Net debt Reconciliation

	Borrowings	Lease liabilities	Total
<b>Net debt as at April 1, 2022</b>	<b>436.76</b>	<b>248.09</b>	<b>684.85</b>
<b>Cash flows:</b>			
Proceeds from borrowings	1,008.50	-	1,008.50
Repayment of borrowings	(1,080.22)	-	(1,080.22)
Interest paid on borrowings	(30.38)	-	(30.38)
Interest paid on lease liabilities	-	(19.31)	(19.31)
Principal paid on lease liabilities	-	(70.69)	(70.69)
<b>Non-cash flows:</b>			
Interest expenses	20.36	19.31	39.67
Interest on guarantee liability	8.20	-	8.20
Loan processing fee	1.82	-	1.82
Exchange loss	(4.54)	-	(4.54)
Bank charges	0.03	-	0.03
Amortisation of loan processing charges	2.98	-	2.98
<b>Net debt as at March 31, 2023</b>	<b>363.51</b>	<b>177.40</b>	<b>540.91</b>
<b>Cash flows:</b>			
Proceeds from borrowings	401.52	-	401.52
Repayment of borrowings	(535.13)	-	(535.13)
Interest paid on borrowings	(11.27)	-	(11.27)
Interest paid on lease liabilities	-	(14.24)	(14.24)
Principal paid on lease liabilities	-	(84.76)	(84.76)
<b>Non-cash flows:</b>			
Interest expenses	10.93	14.24	25.17
Conversion of convertible debentures into equity shares during the year	(29.90)	-	(29.90)
Addition to lease liabilities	-	11.45	11.45
Bank guarantee issue charges	0.34	-	0.34
<b>Net debt as at March 31, 2024</b>	<b>200.00</b>	<b>104.09</b>	<b>304.09</b>





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24 Trade payables

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Total outstanding dues of micro enterprises and small enterprises	83.79	39.71	38.79
Total outstanding dues of creditors other than micro enterprises and small enterprises	491.58	119.85	189.14
Total trade payables	575.37	159.56	227.93

Refer to note 41 for information about the Company's exposure to financial risks.

24.1 MSMED disclosure

Based on the information available with the Company, there are outstanding dues and payments made during the years ended March 31, 2023 and April 1, 2022 to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006. There is interest payable or paid during the years ended March 31, 2023 and April 1, 2022 to any suppliers under the said Act.

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	80.93	37.01	37.48
Interest	2.86	2.70	1.31
Total	83.79	39.71	38.79
(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	-	-	-
(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.	0.16	1.39	1.31
(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.	2.86	2.70	1.31

**Note:** Company has not received any letter with regard to MSME status from any creditors, hence the company has not classified any dues payable to MSME. Company do not have any dues beyond 3 years and there are no disputed payables at the year end.



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24.2 Trade payables ageing schedule

As at March 31, 2024		Current					
Particulars	Unbilled dues	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	5.27	40.53	35.29	1.39	1.31	-	83.79
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	143.99	142.38	196.54	8.64	0.03	-	491.58
(iv) Disputed dues - others	-	-	-	-	-	-	-
<b>Total</b>	<b>149.26</b>	<b>182.91</b>	<b>231.83</b>	<b>10.03</b>	<b>1.33</b>	<b>-</b>	<b>575.37</b>

As at March 31, 2023		Outstanding for following periods from due date of payment					
Particulars	Unbilled dues	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	-	36.40	2.99	0.33	-	-	39.71
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	9.76	80.93	26.78	2.13	0.24	-	119.85
(iv) Disputed dues - others	-	-	-	-	-	-	-
<b>Total</b>	<b>9.76</b>	<b>117.33</b>	<b>29.77</b>	<b>2.46</b>	<b>0.24</b>	<b>-</b>	<b>159.56</b>

As at April 1, 2022		Outstanding for following periods from due date of payment					
Particulars	Unbilled dues	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	-	32.18	6.61	-	-	-	38.79
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	15.74	138.14	34.55	0.37	0.34	-	189.14
(iv) Disputed dues - others	-	-	-	-	-	-	-
<b>Total</b>	<b>15.74</b>	<b>170.32</b>	<b>41.16</b>	<b>0.37</b>	<b>0.34</b>	<b>-</b>	<b>227.93</b>

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



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25 Other current liabilities

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
At amortised cost			
Statutory dues payable	10.90	15.01	11.44
Advance from customers	40.66	1.02	-
Liabilities for corporate social responsibility	-	-	41.19
Other Payables (Refer note 17.1)	15.14	-	-
<b>Total other current liabilities</b>	<b>66.70</b>	<b>16.03</b>	<b>52.63</b>

25.1 Advance from Customers includes advances from related party of INR 40.66 lakhs (March 31, 2023: Nil, April 01, 2022: Nil)

26 Current tax liabilities (net)

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Current tax payable	-	92.08	-
Advance tax (including TDS receivables)	-	(79.80)	-
<b>Total current tax liabilities (net)</b>	<b>-</b>	<b>12.28</b>	<b>-</b>





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27 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
Sale of goods	2,155.88	2,335.29
Sale of services	797.49	322.41
	<u>2,953.37</u>	<u>2,657.70</u>
Other operating revenues	116.60	183.66
Total revenue from operations	<u>3,069.97</u>	<u>2,841.36</u>

Nature of products

	Year ended March 31, 2024	Year ended March 31, 2023
Manufacturing of aerospace toolings and components	2,155.88	2,335.29
Total	<u>2,155.88</u>	<u>2,335.29</u>

Nature of services

	Year ended March 31, 2024	Year ended March 31, 2023
Cross Charges	452.11	280.00
Job work	345.38	42.41
Total	<u>797.49</u>	<u>322.41</u>

Other operating revenues

	Year ended March 31, 2024	Year ended March 31, 2023
Rental Income	64.58	59.96
Scrap sales	12.29	23.41
Duty drawbacks received*	18.77	28.09
Merchant exporter incentive*	-	29.62
Other sales	20.96	42.58
Total	<u>116.60</u>	<u>183.66</u>

\* There are no unfulfilled conditions attached to recognition of duty drawbacks and merchant exporter incentive

27.1 Disaggregate revenue information

Geographic revenue

	Year ended March 31, 2024	Year ended March 31, 2023
Within India	1,322.17	741.87
Outside India	1,747.80	2,099.49
Total	<u>3,069.97</u>	<u>2,841.36</u>

Timing of revenue recognition

	Year ended March 31, 2024	Year ended March 31, 2023
Products and services transferred at a point in time	3,069.97	2,841.36
Total	<u>3,069.97</u>	<u>2,841.36</u>

27.2 Reconciliation of contract price with revenue during the year

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contract price	3,072.75	2,847.61
Adjustments:		
- Liquidated damages	(2.78)	(6.25)
Revenue from contracts with customers	<u>3,069.97</u>	<u>2,841.36</u>

27.3 Performance obligations:

Sale of products:

The performance obligation with respect to sale of products including other operating revenue 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.



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28 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income		
On fixed deposits at amortised cost	34.43	15.96
On loans to related parties at amortised cost	4.88	32.70
On income taxes	-	0.59
Unwinding of discount on security deposits at amortised cost	1.81	1.65
Gains on foreign exchange transactions (net)	49.55	32.45
Subsidy interest	15.57	1.45
Guarantee fee income [Refer note 40 (a)]	105.00	51.80
Profit on sale of assets	10.35	3.00
Profit on sale of investments	0.20	-
Miscellaneous income	3.23	4.90
<b>Total other income</b>	<b>225.02</b>	<b>144.50</b>

Refer to note 40.2 for interest on loans and guarantees to related parties.

29 Cost of materials consumed

	Year ended March 31, 2024	Year ended March 31, 2023
Inventories of raw materials at the beginning of the year	40.13	211.00
Add: Purchases	1,229.56	740.01
Less: Inventories of raw materials at the end of the year	(57.80)	(40.13)
<b>Total cost of materials consumed</b>	<b>1,211.89</b>	<b>910.88</b>

30 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		
-Finished goods	24.29	-
-Work-in-progress	339.60	184.78
	<b>363.89</b>	<b>184.78</b>
Less: Inventories at the end of the year		
-Finished goods	-	24.29
-Work-in-progress	559.91	339.60
	<b>559.91</b>	<b>363.89</b>
<b>Net increase</b>	<b>(196.02)</b>	<b>(179.11)</b>

31 Subcontracting charges

	Year ended March 31, 2024	Year ended March 31, 2023
Subcontracting charges	507.53	271.17
<b>Total subcontracting charges</b>	<b>507.53</b>	<b>271.17</b>

32 Employee benefits expense

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	710.72	537.62
Contribution to provident fund and other funds [refer note 39(a)]	19.01	16.22
Gratuity expenses [refer note 39(b)]	9.74	6.01
Staff welfare expenses	31.20	31.21
<b>Total employee benefits expense</b>	<b>771.17</b>	<b>591.06</b>



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33 Finance costs

Interest on borrowings
Interest on income tax
Interest on lease liabilities
Interest on guarantee liability
Loan processing fee
Interest on delayed payments to micro enterprises and small enterprises
Bank guarantee issue charges
Total finance costs

Year ended March 31, 2024	Year ended March 31, 2023
10.93	20.36
-	3.25
14.24	19.31
-	8.20
-	1.82
0.16	1.39
0.34	-
25.67	54.33

Refer to note 40.2 for interest on guarantees to related parties.

34 Depreciation and amortisation expense

Depreciation on property, plant and equipment
Amortisation on right-of-use assets
Amortisation on intangible assets
Total depreciation and amortisation expense

Year ended March 31, 2024	Year ended March 31, 2023
92.77	103.81
85.94	80.22
4.31	9.86
183.02	193.89

35 Other expenses

Stores and spares
Manpower support cost
Utilities
Repairs and maintenance
Factory and Building
Plant and machineries
Others
Factory expenses
Freight Outward
Security charges
Printing and stationery
Information technology expenses
Insurance
Legal and professional charges
Recruitment cost
Audit fee
Sales promotion
Expected credit loss allowance
Travelling and conveyance
Communication expenses
Rates and taxes
Bank charges
Subscription charges
Rework and warranty costs
Bad debts
Miscellaneous expenses
Total

Year ended March 31, 2024	Year ended March 31, 2023
10.27	37.70
5.09	173.84
38.90	34.88
0.70	3.58
3.93	3.02
1.20	2.03
13.72	10.10
-	74.75
16.55	13.24
12.74	7.93
15.70	17.15
7.47	7.45
79.52	293.75
2.94	4.19
3.50	0.75
12.87	89.80
3.72	4.43
42.67	41.24
1.69	3.15
126.57	22.65
2.55	1.69
5.01	-
13.39	30.11
22.57	-
10.31	6.19
453.58	883.62

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

Audit fee
As auditor:
Statutory audit
Total audit fee

Year ended March 31, 2024	Year ended March 31, 2023
3.50	0.75
3.50	0.75





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36 Income tax

36.1 Income tax expense

	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	70.47	92.08
Tax expense relating to prior year (net)	4.00	-
Deferred tax	74.47	92.08
Income tax expense reported in the statement of profit or loss	21.18	(44.80)
	95.65	47.28

36.2 Reconciliation of tax charge

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	338.15	260.02
Income tax expense at tax rates applicable	25.17%	25.17%
Expected income tax expense/ (benefit) at statutory tax rate	85.11	65.44
Tax effects of:		
Interest on MSME	0.35	0.04
Disallowances u/s 37	4.00	-
Income tax relating to remeasurements of post-employment defined benefit plans	1.59	6.50
Interest on income tax	-	0.82
Others adjustments	4.60	(25.52)
Income tax expense	95.65	47.28

36.3 Deferred tax relates to the following:

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Deferred tax assets</b>			
Property, plant and equipment and intangible asset	6.63	5.73	-
Provisions	30.52	38.69	24.58
Trade receivables	5.72	4.79	3.67
Lease liabilities	26.20	44.65	62.44
Borrowings	-	-	0.45
Others	0.47	21.53	18.65
	69.54	115.39	109.79

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Deferred tax liabilities</b>			
Property, plant and equipment and intangible assets	-	-	(4.02)
Right-of-use assets	(21.63)	(40.38)	(60.57)
Borrowings	-	(0.59)	-
Others	-	(6.92)	(17.31)
	(21.63)	(47.89)	(81.90)

Deferred tax assets/(liabilities), net

	47.91	67.50	27.89
--	-------	-------	-------

36.4 Reconciliation of deferred tax assets/ (liabilities) (net):

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Opening balance	67.50	27.89	(36.47)
Tax asset/(liability) recognised in Statement of Profit and Loss	(19.59)	39.61	64.36
Total	47.91	67.50	27.89



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38 Earnings/ (Loss) per equity share

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Earnings/ (Loss) used in calculating earnings per equity share		
Basic earnings/ (Loss) per share		
Profit/ (Loss) attributable to equity shareholders as per statement of profit and loss	242.50	212.74
Diluted/ (Loss) earnings per share		
Profit/ (Loss) attributable to equity shareholders as per statement of profit and loss	242.50	212.74
(b) Weighted average number shares used as denominator		
Equity shares outstanding as at April 1	1,04,230	1,04,230
Add: Impact of conversion of Convertible Debentures	408	408
Add: Impact of share split as on December 23, 2023 (Note 18.1(a))	19,88,122	19,88,122
Add: Bonus shares issued on December 27, 2023 (Note 18.1(b))	4,18,55,200	4,18,55,200
Weighted average number of equity shares outstanding during the year for basic EPS	4,39,47,960	4,39,47,960
Adjustments for calculation of diluted EPS:		
Add: Convertible debentures	136	136
Weighted average number of equity shares adjusted for the effect of dilution	4,39,48,096	4,39,48,096
(c) Information regarding the classification of securities		
Convertible debentures		
The Company has issued 30,000 convertible debentures issued during the financial year ended March 31, 2019 are considered to be potential equity shares of 544 shares and have been included in the determination of diluted earnings per share from their date of issue.		
(d) EPS		
Basic earnings/ (Loss) per equity share (INR)	0.55	0.48
Diluted earnings/ (Loss) per equity share (INR)	0.55	0.48

39 Employee benefit obligations

- (a) Defined contribution plans  
Contributions were made to provident fund and Employee State Insurance in India for the Company as per the regulations. These contributions 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 constructive 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	18.47	15.40
Employer's contribution to Employee State Insurance	0.54	0.82
	19.01	16.22

(b) Defined benefit plan- Gratuity

i) 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.

This defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The present value of the defined benefit obligation and the relevant service cost are measured using projected Unit Credit Method, with actuarial valuation being carried out at each Balance sheet date.

ii) Reconciliation of defined benefit obligation

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance as at the beginning of the year	14.48	12.25	8.79
Interest cost	1.01	0.88	0.62
Benefits paid during the year	(2.17)	(1.18)	-
Current service cost	9.47	5.13	4.34
Included in profit and loss (Note 32)	8.31	4.83	4.96



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iii) Reconciliation of defined benefit obligation (Contd.,)

Remeasurement loss/(gain)  
Actuarial loss/(gain) arising from:  
Changes in demographic assumptions  
Changes in financial assumptions  
Experience adjustments  
Included in other comprehensive Income  
  
Balance as at the end of the year

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
-	-	-
1.14	(0.01)	(0.58)
4.66	(2.59)	(0.92)
5.81	(2.60)	(1.50)
28.59	14.48	12.25

iv) Reconciliation of Planned Assets  
Opening balance

Employers contribution  
Interest on plan assets  
Administration expenses  
Remeasurements due to  
Actuarial return on plan assets less interest on plan assets  
Closing Balance

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
-	-	-
19.61	-	-
0.74	-	-
-	-	-
-	-	-
(0.53)	-	-
19.82	-	-

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

Present value of defined benefit obligation  
Fair value of plan assets  
Deficiency of funded plans  
Unfunded plans  
Deficiency before asset ceiling

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
28.59	-	-
19.82	-	-
8.77	-	-
-	14.48	12.25
8.77	14.48	12.25

Classified as:  
Non-current  
Current

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
-	13.78	11.68
8.77	0.70	0.57
8.77	14.48	12.25

(c) Actuarial assumptions

Discount rate (per annum)  
Rate of future increase in salary  
Expected return on planned assets  
Attrition rate  
Employee served for 5 years and below  
Employee served above 5 years

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
7.23%	7.53%	7.52%
12.00%	12.00%	12.00%
7.53%	0.00%	0.00%
-	-	-
20.00%	20.00%	20.00%
5.00%	5.00%	5.00%

The weighted-average duration of the defined benefit obligation as at March 31, 2024 was 13.84 years (March 31, 2023: 14.27 years, April 1, 2022: 14.80 years) for gratuity plan.





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(d) Categories of plan assets

Particulars

Assets under insurance schemes

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
100%	0%	0%

(e) Sensitivity analysis

Particulars

Discount rate

1% increase

1% decrease

Future increase in salary

1% increase

1% decrease

Attrition rate

1% increase

1% decrease

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(3.13)	(1.50)	(1.28)
3.84	1.82	1.56
3.52	1.66	1.42
(2.93)	(1.40)	(1.20)
(1.50)	(0.71)	(0.62)
1.76	0.82	0.72

(f) Maturity analysis

Particulars

Within one year

Between one and two years

Between two and three years

Between three and four years

Between four and five years

Between five and ten years

Later than ten years

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
2.18	0.70	0.57
1.56	0.77	0.48
1.21	0.46	0.50
0.99	0.35	0.33
0.90	0.28	0.26
3.85	1.25	0.81
17.90	10.66	9.30

(g) Defined benefit plan- Longevity

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

Balance as at the beginning of the year

Interest cost

Benefits paid during the year

Current service cost

Actuarial (Gains)/Loss

Incremental obligation on termination\*

Balance as at the end of the year

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
105.18	75.50	51.85
-	5.68	3.90
-	-	-
-	47.21	19.09
-	(23.21)	0.66
(40.37)	-	-
64.81	105.18	75.50

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

Actuarial assumptions

Discount rate (per annum)

Expected return on Assets

Rate of future increase in salary

Attrition rate

Classified as:

Non-current

Current

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
0.00%	7.52%	7.52%
0.00%	0.00%	0.00%
0.00%	12.00%	12.00%
0.00%	5.00%	5.00%
-	101.69	73.90
64.81	3.49	1.60



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**40 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:

**40.1 Names of related parties and description of relationship:**

Particulars	Country of incorporation and principal place of business	Principal activities	Proportion of ownership interest		
			As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Subsidiaries</b>					
Innimech Aerospace Toolings Private Limited	India	Manufacture of aerospace tools	99.99%	99.99%	99.90%
Unimech Healthcare Private Limited (Upto December 18, 2023)	India	Trading of healthcare products	-	99.99%	-
<b>Key Management Personnel (KMP) (Directors)</b>					
Mr. Anil Kumar Puttan					
Mr. Ramakrishna Kamajhala					
Mr. Mani Puttan					
Mr. Preetham Shinoga					
Mr. Rajanikanth Balaraman					
<b>Individuals having significant interest</b>					
Mrs. Rashmi Anil Kumar Puttan					
<b>Relatives of KMP</b>					
Mrs. Savitha K Nayar					
Mrs. Shruthi C S					

**40.2 Details of transactions with related parties for the year ended:**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>(a) Subsidiaries</b>		
<b>Sale of products and services</b>		
Innimech Aerospace Toolings Private Limited	971.18	288.93
Unimech Healthcare Private Limited	-	92.92
<b>Loans given</b>		
Innimech Aerospace Toolings Private Limited	34.21	857.39
Unimech Healthcare Private Limited	41.00	237.27
<b>Advances given/(repaid)</b>		
Innimech Aerospace Toolings Private Limited	(551.33)	1,025.13
Unimech Healthcare Private Limited	(278.27)	-
<b>Interest income</b>		
Innimech Aerospace Toolings Private Limited	4.88	30.00
Unimech Healthcare Private Limited	-	2.41
<b>Guarantee fee income</b>		
Innimech Aerospace Toolings Private Limited	105.00	51.80
<b>(b) Key Management Personnel and relatives</b>		
<b>Employee Benefit expenses</b>		
<b>Remuneration*</b>		
Mr. Ramakrishna Kamajhala	97.15	108.75
Mr. Mani Puttan	-	-
Mr. Preetham Shinoga	-	-
Mr. Rajanikanth Balaraman	-	15.00
Mrs. Savitha K Nayar	-	16.00
Mrs. Shruthi C S	-	17.25

\*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.

**(c) People having significant interest**

<b>Consultancy Payable</b>		
<b>Remuneration</b>		
Mrs. Rashmi Anil Kumar Puttan	-	14.00



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40.3 Outstanding balances in relation to related parties

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(a) Key Management Personnel			
Remuneration payable			
Mr. Anil Kumar Puttan	-	-	4.12
Mr. Mani Puttan	-	-	2.88
Mr. Preetham Shimoga	-	-	3.38
Mr. Ramakrishna Kamohala	-	60.96	12.69
Mr. Rajanikanth Balaraman	-	2.70	0.05
Other payables			
Mr. Anil Kumar Puttan	-	0.46	0.04
Mr. Preetham Shimoga	-	0.41	-
Mrs. Savitha K Nayar	-	-	-
Mr. Ramakrishna Kamohala	-	-	0.02
Advances			
Innomech Aerospace Toolings Private Limited	40.56	-	-
(b) People having significant interest			
Remuneration Payable			
Mrs. Rashmi Anil Kumar Puttan	-	1.52	4.01
Mrs. Savitha K Nayar	-	-	0.51
(c) Subsidiaries			
Trade receivables			
Innomech Aerospace Toolings Private Limited	-	33.17	513.63
Unimech Healthcare Private Limited	-	7.63	-
Loans			
Innomech Aerospace Toolings Private Limited	-	517.11	684.85
Unimech Healthcare Private Limited	-	237.27	-

40.4 Terms and conditions of transactions with related parties

Transactions with 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.

40.5 The borrowings of the Company are secured by personal guarantees of Directors of the Company. Further, the Company has also given guarantee for various borrowing arrangements entered into by Innomech Aerospace Toolings Private Limited which is an wholly owned subsidiary of the Company.





41 Financial risk management objectives and policies

41.1 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.

41.2 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 long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed borrowings amounting to Nil (March 31, 2023: INR 47.91 lakhs, April 1, 2022: INR 60.53 lakhs) and variable rate borrowings amounting to INR 200.00 lakhs (March 31, 2023: INR 315.60 lakhs, April 1, 2022: INR 376.23 lakhs).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and 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	Impact on profit before tax	
			1% Increase	1% Decrease
Variable rate borrowings	March 31, 2024	200.00	2.00	(2.00)
Variable rate borrowings	March 31, 2023	315.60	3.16	(3.16)
Variable rate borrowings	April 1, 2022	376.23	3.76	(3.76)

(b) Foreign currency risk

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	4.70	391.72	3.72	305.73	0.52	36.68
USD payable	(0.36)	(30.22)	(0.09)	(7.75)	-	-
GBP receivable	-	-	-	-	-	-
EURO receivable	1.96	176.57	4.13	369.21	0.68	56.12
EURO payable	(0.02)	(1.43)	(2.97)	(265.33)	(3.63)	(305.22)

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%	3.61	2.98
INR/USD - decrease by 1%	(3.61)	(2.98)
GBP sensitivity		
INR/GBP - increase by 1%	-	-
INR/GBP - decrease by 1%	-	-
EURO sensitivity		
INR/EURO - increase by 1%	1.75	1.04
INR/EURO - decrease by 1%	(1.75)	(1.04)



#### 41.3 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	19.02	14.59	5.30
Changes in loss allowance:			
Loss allowance based on expected credit loss	3.72	4.43	9.30
Additional provision(net)	-	-	-
Recoveries	-	-	-
Write off as bad debts	-	-	-
Closing Balance	22.74	19.02	14.59

#### 41.4 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				Total
			0-1 year	1-3 years	3-5 years	More than 5 years	
Current borrowings	23	200.00	200.00	-	-	-	200.00
Lease liability	5.2	104.09	104.09	-	-	-	104.09
Trade payables	24	575.37	575.37	-	-	-	575.37
Other financial liability	21	110.61	110.61	-	-	-	110.61
		990.07	990.07	-	-	-	990.07

As at March 31, 2023

Particulars	Notes	Carrying amount	Contractual cash flows				Total
			0-1 year	1-3 years	3-5 years	More than 5 years	
Current borrowings	23	333.83	333.83	-	-	-	333.83
Non current borrowings	20	29.68	-	31.07	-	-	31.07
Lease liabilities	5.2	177.40	82.25	95.15	-	-	177.40
Trade payables	24	159.56	159.56	-	-	-	159.56
Other financial liabilities	21	226.26	226.26	-	-	-	226.26
Total		926.73	801.90	126.22	-	-	928.12

As at April 1, 2022

Particulars	Notes	Carrying amount	Contractual cash flows				Total
			0-1 year	1-3 years	3-5 years	More than 5 years	
Current borrowings	23	344.42	344.42	-	-	-	344.42
Non current borrowings	20	92.34	26.64	70.27	-	-	96.91
Lease liabilities	5.2	248.09	70.69	177.40	-	-	248.09
Trade payables	24	227.93	227.93	-	-	-	227.93
Other financial liabilities	21	151.48	151.48	-	-	-	151.48
Total		1064.26	821.16	247.67	-	-	1068.83



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### 37 First time adoption of Ind AS

#### Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

	Note	As at March 31, 2023				As at March 31, 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
<b>Assets</b>									
Non-current assets	j	330.25	0.34	-	330.59	345.79	13.23	-	359.03
Property, plant and equipment		3.97	-	-	3.97	-	-	-	-
Capital work-in-progress	a	-	-	160.44	160.44	-	-	240.66	240.66
Right of use assets	j	5.73	(1.70)	-	4.04	19.35	0.45	-	19.80
Other intangible assets		-	-	-	-	-	-	-	-
Financial assets		102.00	-	158.34	260.34	1.00	-	103.33	104.33
Investments	b	-	-	(3.66)	49.49	-	98.16	(5.31)	92.85
Other financial assets	c	-	53.15	-	4.00	-	6.77	-	6.77
Current tax assets (net)	e	-	4.00	-	67.50	9.67	-	18.22	27.89
Deferred tax asset (net)	f	39.21	-	28.28	-	-	-	-	-
Long-term loans and advances	c,j	764.27	(764.27)	-	20.71	90.19	(90.19)	-	-
Other non-current assets	j	25.56	(4.85)	-	-	-	-	-	-
<b>Total non-current assets</b>		<b>1,270.99</b>	<b>(713.33)</b>	<b>343.40</b>	<b>901.08</b>	<b>466.00</b>	<b>28.42</b>	<b>356.90</b>	<b>851.33</b>
<b>Current Assets</b>									
Inventories	j	412.65	(8.63)	-	404.02	453.41	(57.63)	-	395.78
Financial assets		-	-	-	-	-	-	-	-
Loans	j	-	754.38	-	754.38	-	684.85	-	684.85
Trade receivables	d	806.25	47.72	(19.02)	834.95	710.68	0.48	(14.59)	696.56
Cash and cash equivalents	j	383.77	(284.01)	-	99.76	386.60	(279.72)	-	106.88
Bank balances other than cash and cash equivalents	j	-	218.56	-	218.56	-	243.86	-	243.86
Other financial assets	j	-	71.48	-	71.48	-	56.61	-	56.61
Short-term loans and advances	j	368.11	(368.11)	-	-	954.49	(954.49)	-	-
Current tax assets (net)	k	-	-	-	-	-	21.81	-	21.81
Other current assets	j	3.22	201.18	-	204.40	18.44	293.46	-	311.90
<b>Total current assets</b>		<b>1,974.00</b>	<b>632.57</b>	<b>(19.02)</b>	<b>2,587.55</b>	<b>2,523.62</b>	<b>9.23</b>	<b>(14.59)</b>	<b>2,518.25</b>
<b>Total assets</b>		<b>3,244.99</b>	<b>(80.76)</b>	<b>324.38</b>	<b>3,488.63</b>	<b>2,989.62</b>	<b>37.65</b>	<b>342.31</b>	<b>3,369.58</b>





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	Note	As at March 31, 2023			As at March 31, 2022		
		Indian GAAP	Other adjustments	Effect of transition to Ind AS	Indian GAAP	Other adjustments	Effect of transition to Ind AS
<b>I EQUITY</b>							
(a) Equity Share capital	a to k	104.23	-	-	104.23	-	-
(b) Other equity		2,291.81	(108.99)	92.81	2,028.35	(17.62)	31.53
<b>Total equity</b>		<b>2,396.04</b>	<b>(108.99)</b>	<b>92.81</b>	<b>2,132.58</b>	<b>(17.62)</b>	<b>31.53</b>
<b>II LIABILITIES</b>							
<b>Non-current liabilities</b>							
Financial liabilities							
Borrowings	g,h,i,j	31.06	(1.15)	(0.23)	434.98	(338.73)	(3.91)
Lease liabilities	a	-	-	95.15	-	-	177.40
Other financial liabilities	h,j	11.64	(11.64)	85.52	-	-	74.11
Provisions	j,e	109.43	6.04	-	180.57	(94.99)	-
<b>Total non-current liabilities</b>		<b>152.13</b>	<b>(6.75)</b>	<b>180.44</b>	<b>615.55</b>	<b>(433.72)</b>	<b>247.60</b>
<b>Current liabilities</b>							
Financial liabilities							
Borrowings	g,i	334.80	(0.27)	(0.70)	-	344.42	-
Lease liabilities	a	-	-	82.25	-	-	70.69
Trade payables		-	-	-	-	-	-
i) Total outstanding dues of micro enterprises and small enterprises	j	-	39.71	-	-	38.79	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	j	125.78	(5.93)	-	167.03	22.11	-
Other financial liabilities	a	-	148.26	(7.52)	-	84.88	(7.51)
Other current liabilities	j	139.04	(123.01)	-	63.17	(10.55)	-
Provisions	j,e	97.20	(58.94)	-	11.29	9.32	-
Current tax liabilities (net)	j	-	12.28	-	-	-	-
<b>Total current liabilities</b>		<b>696.82</b>	<b>12.10</b>	<b>74.03</b>	<b>241.49</b>	<b>488.97</b>	<b>63.18</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,244.99</b>	<b>(103.66)</b>	<b>347.28</b>	<b>2,989.62</b>	<b>37.65</b>	<b>342.31</b>
							<b>793.65</b>
							<b>3,369.58</b>



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

	Notes	As at	
		March 31, 2023	April 1, 2022
<b>Total equity/(shareholders' funds) under Indian GAAP</b>		<b>2,291.81</b>	<b>2,028.35</b>
<b>Adjustments:</b>			
Unwinding of discount on security deposits at amortised cost	c	2.51	0.86
Remeasurements of post-employment defined benefit plans	e	(16.84)	8.98
Interest expense on Lease Liabilities	a	(45.97)	(26.66)
Depreciation on Right-of-use assets	a	(159.67)	(79.45)
Gain on initial recognition of financial liability	i	5.77	5.77
Reversal of lease equalisation reserve	a	7.52	7.52
Impact to retained earnings on initial recognition of lease	a	(23.91)	(23.91)
Rent concession due to COVID	a	15.31	15.31
Adjustment to prepaid loan processing charges	g	0.23	0.55
Effect of Lease payments during the year	a	191.10	101.10
Expected credit loss allowance	d	(19.02)	(14.59)
Amortisation of interest on debentures	g	(5.07)	(2.41)
Financial guarantee commission income	h	87.43	35.63
Amortisation of interest on financial guarantee commission	h	(14.61)	(6.41)
Remeasurements of post-employment defined benefit plans through other comprehensive income	e	16.84	(8.98)
Deferred tax adjustment	f	51.19	18.22
Correction on account of prior period Adjustment	k	(108.99)	(17.61)
<b>Total adjustment to equity</b>		<b>(16.18)</b>	<b>13.92</b>
<b>Total equity under Ind AS</b>		<b>2,275.63</b>	<b>2,042.27</b>



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

	Note	Year ended March 31, 2023		
		Indian GAAP	Other adjustments	Effect of transition to Ind AS
<b>Income</b>				
Revenue from operations	j	2,805.51	35.85	-
Other income	a,c,h,j	157.15	(66.10)	53.45
<b>Total Income</b>		<b>2,962.66</b>	<b>(30.25)</b>	<b>53.45</b>
<b>Expenses</b>				
Cost of materials consumed	j	1,310.85	(362.27)	-
Changes in inventories of finished goods and work-in-progress	j	(130.11)	(49.00)	-
Subcontractors charges	j	-	271.17	-
Employee benefits expense	e,j,k	898.43	(333.18)	25.81
Finance costs	a,g,h,j	18.07	6.10	30.16
Depreciation and amortisation expense	a,j	100.60	13.07	80.22
Other expenses	a,d,j,k	439.08	492.10	(85.26)
<b>Total expenses</b>		<b>2,636.92</b>	<b>37.99</b>	<b>50.93</b>
<b>Profit before tax</b>		<b>325.74</b>	<b>(68.24)</b>	<b>2.52</b>
<b>Tax expense</b>				
(1) Current tax	j	74.06	18.02	-
(2) Deferred tax	f	(29.54)	22.91	(38.17)
		<b>44.52</b>	<b>40.93</b>	<b>(38.17)</b>
<b>Profit for the year</b>		<b>281.22</b>	<b>(109.17)</b>	<b>40.69</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurements of post-employment defined benefit plans	e	-	-	25.81
Income tax effect on above	e	-	-	(5.19)
<b>Other comprehensive income for the year, net of income tax</b>		<b>-</b>	<b>-</b>	<b>20.62</b>
<b>Total comprehensive income for the year</b>		<b>281.22</b>	<b>(109.17)</b>	<b>61.31</b>





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Reconciliation of total comprehensive income for the Year ended March 31, 2022

Particulars	Notes	Year ended March 31, 2023
Profit as per Indian GAAP		281.23
<b>Adjustments:</b>		
Unwinding of discount on security deposits at amortised cost	c	1.65
Remeasurements of post-employment defined benefit plans	e	(25.81)
Interest expense on Lease Liabilities	a	(19.31)
Depreciation on Right-of-use assets	a	(80.23)
Amortisation of prepaid loan processing charges	g	(0.33)
Interest expense on Convertible debentures	i	(2.65)
Effect of Lease payments during the year	a	90.00
Remeasurements of post-employment defined benefit plans through other comprehensive income	e	25.81
Expected credit loss allowance	d	(4.43)
Financial guarantee commission income	h	51.81
Amortisation of interest on financial guarantee commission	h	(8.20)
Deferred tax adjustment	f	32.99
Other Adjustments	k	(109.17)
<b>Total comprehensive income under Ind AS</b>		<b>233.36</b>

Notes:

(a) Lease liability and ROU assets

Under previous IGAAP, Leases are classified as operating leases and lease rentals under operating leases are recognised in the statement of profit or loss on a straight line basis over lease term.

Company as a Lessee

As per Ind AS 116, Leases in which substantially all the risks and rewards of ownership are transferred to the lessee are classified as finance 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 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.

(b) Investment in subsidiary

The Company has elected to continue with the carrying value of Investment in subsidiary as per the Indian GAAP and use that carrying value as the deemed cost of the investment in subsidiary.



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(c) **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 Company 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.

(d) **Expected credit loss**

Under Indian GAAP, the Company had recognised provision on trade receivables based on the expectation of the Company. 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 loss allowance under IGAAP.

(e) **Remeasurements of post-employment benefit obligations**

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, are charged to the statement of profit and loss. Under Ind AS, re-measurements [comprising of actuarial gains and losses] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

(f) **Deferred Tax**

Under Indian GAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Under Ind AS, accounting of deferred taxes is done using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base and Deferred tax has been recognized on the account of adjustments made due to application of Ind AS.

(g) **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 Company 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.



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**(h) 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. Company has given guarantee to its subsidiary and on the date of transition, financial guarantee contract liability has been recognised and corresponding impact has been treated as investment in subsidiary. For subsequent measurement, financial guarantee commission income and amortisation of interest on financial guarantee commission has been recognised in the profit and loss.

**(i) Convertible debentures**

Under Indian GAAP convertible debentures issued are accounted as liability and interest paid is recognised as expense. However as per Ind AS 109, convertible debentures are analysed as to whether it is financial liability or equity or compound financial instrument. In the given case such debentures are accounted as financial liability.

**(j) Material regrouping and adjustments**

Appropriate regroupings and other adjustments have been 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, liabilities 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 01, 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.

**(k) 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 rectified these errors by restating the transition date balance sheet as at April 01, 2022. Refer note 37.1





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## 42 Fair value measurements

### 42.1 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
<b>Financial assets</b>				
Trade receivables	12	844.44	834.95	696.56
Cash and cash equivalents	13	514.30	99.76	106.88
Bank balances other than cash and cash equivalents	14	46.14	218.56	243.86
Loans (current)	8	-	754.38	684.85
Other financial assets (non-current)	9	70.63	49.49	92.85
Other financial assets (current)	15	435.38	71.48	56.61
<b>Total financial assets</b>		<b>1,910.89</b>	<b>2,028.62</b>	<b>1,881.61</b>
<b>Financial liabilities*</b>				
Borrowings (non-current)	20	-	29.68	92.34
Borrowings (current)	23	200.00	333.83	344.42
Trade payables	24	491.58	119.85	189.14
Other financial liabilities (non-current)	21	-	85.52	74.11
Other financial liabilities (current)	21	110.61	140.74	77.37
<b>Total financial liabilities</b>		<b>802.19</b>	<b>709.62</b>	<b>777.38</b>

\*Excluding lease liabilities

### 42.2 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).

### 42.3 Methods and assumptions

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



**43 Other regulatory information**

**43.1 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.

**43.2 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.

**43.3 Borrowings secured against current assets**

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

**43.4 Wilful defaulter**

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

**43.5 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.

**43.6 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.

**43.7 Compliance with number of layers of companies**

The Group 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.

**43.8 Compliance with approved scheme(s) of arrangements**

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

**43.9 Utilisation of borrowed funds and securities 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.

**43.10 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.

**43.11 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.

**43.12 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.



Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN:U30305KA2016PLC095712

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

#### 44 Corporate Social Responsibility

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent by the Company during the year	-	-	17.77
Amount of expenditure incurred	-	17.77	-
Shortfall at the end of the year	-	-	17.77
Total of previous years shortfall	-	-	17.77
Reason for Shortfall			Refer note below
Nature of CSR activities	-	Plantation and skill- development	Plantation and skill- Development

Note - The Company was not able to transfer the accumulated funds to CSR bank account till the previous year due to closure of Axis bank account. All the accumulated funds amounting to INR 0.25 lakhs (till March 31, 2021) had been transferred to "Axis Bank - 919020075634644" on March 28, 2022. Further, current year provision amounting to INR 17.77 lakhs had been created on March 31, 2022 and yet to transfer to the specified bank account. However, whole amount stands unspent till March 31, 2022 and estimated to spend all the monies in bank by September 30, 2022.

The CSR spending not applicable to the Company in the current year as the profit in the immediately preceding financial year is less than INR 5 crore.





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45 Ratio analysis

S No.	Ratio	Formula	As at March 31, 2024		As at March 31, 2023		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 <sup>(i)</sup> / Current liabilities <sup>(ii)</sup>	3,085.89	1,178.02	2,587.55	782.95	2.62	3.30	-20.74%	
(b)	Debt-equity ratio	Total debt <sup>(iii)</sup> / Shareholder's equity	304.09	2,647.52	540.91	2,379.86	0.11	0.23	-49.46%	Due to repayment of loans during the year.
(c)	Debt service coverage ratio	Earnings available for debt service <sup>(iv)</sup> / Debt service <sup>(v)</sup>	226.20	244.04	380.81	196.74	0.93	1.94	-52.11%	On account of higher profits during the current year and also due to reduction in loans outstanding as at the balance sheet date.
(d)	Return on equity ratio	Profit after tax / Average shareholder's equity	242.50	2,513.69	212.74	2,263.18	0.10	0.09	2.63%	
(e)	Inventory turnover ratio	COGS / Average inventory	1,015.87	510.87	731.77	399.90	1.99	1.83	8.67%	
(f)	Trade receivables turnover ratio	Net credit sales / Average trade receivables	3,069.97	839.70	2,841.36	765.76	3.66	3.71	-1.47%	
(g)	Trade payables turnover ratio	Net credit purchases / Average trade payables	1,229.56	305.72	740.01	154.50	4.02	4.79	-16.03%	
(h)	Net capital turnover ratio	Net sales / Working capital	3,069.97	2,647.52	2,841.36	1,804.60	1.16	1.57	-26.35%	Due to growth in working capital and sales arising from growth in business and orders.
(i)	Net profit ratio	Net profit / Net sales	242.50	3,069.97	212.74	2,841.36	0.08	0.07	5.50%	
(j)	Return on capital employed	EBIT / Capital employed <sup>(vi)</sup>	363.82	2,951.62	314.35	2,920.77	0.12	0.11	14.53%	
(k)	Return on investment	Other income (excluding dividend) / Average cash and cash equivalents and other marketable securities	225.02	307.03	144.50	103.32	0.73	1.40	-47.60%	Increase in the market rate of return has resulted in the improvement of the ratio.

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
- (ii) Current liabilities = Current borrowings + Trade payables + Other financial liabilities + Current tax (liabilities) + Provisions + Other current liabilities + Current lease liabilities
- (iii) Total debts = Non-current borrowings + Current borrowings + Current maturities of long-term borrowings + Non-current lease liabilities + Current lease liabilities
- (iv) Earnings for debt Service = Net Profit after taxes + Non-cash operating expenses + Interest (including interest on 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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Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
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#### 46 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)	2,647.52	2,379.86	2,146.50
Total debt		304.09	540.91	684.85
Less: Cash and cash equivalents		(514.30)	(99.76)	(106.88)
Net debt	(ii)	(210.21)	441.15	577.97
Debt-to-capital ratio	(ii) / (i)	(0.08)	0.19	0.27

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

#### 47 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.

#### 48 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
<b>Non-current assets</b>			
Plant and machinery	-	258.68	299.12
<b>Total non-current assets hypothecated as security</b>	-	<b>258.68</b>	<b>299.12</b>
<b>Current assets</b>			
Inventories	617.71	404.02	395.78
Loans	-	754.38	684.85
Trade receivables	844.44	834.95	696.56
Cash and cash equivalents	514.30	99.76	106.88
Bank balances other than cash and cash equivalents	46.14	218.56	243.86
Other financial assets	435.38	71.48	56.61
Current tax assets (net)	152.17	-	21.81
Other current assets	475.75	204.40	311.90
<b>Total current assets hypothecated as security</b>	<b>3,085.89</b>	<b>2,587.55</b>	<b>2,518.25</b>
<b>Total assets hypothecated as security</b>	<b>3,085.89</b>	<b>2,846.23</b>	<b>2,817.37</b>

#### 49 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Property plant and equipment	-	2.78	-
	-	<b>2.78</b>	-



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Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
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## 50 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 to note 27.1 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: two) customers represented approximately 35.26% (March 31, 2023: 60.32%), 28.38% (March 31, 2023: 10.17%) and 14.50% (March 31, 2023: Nil) of the Company's revenue from operations.

## 51 Subsequent events

- i) The Company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on March 04, 2024 and Consequently the name of the Company has changed to Unimech Aerospace and Manufacturing Limited pursuant to a fresh certificate of incorporation issued by ROC on June 21, 2024.
- ii) The Company has incorporated a new wholly owned subsidiary in the United States of America by the name of Unimech Global Manufacturing Solutions Inc for which the certificate of incorporation was issued on May 29, 2024
- iii) The Company has constituted an audit committee on July 3, 2024 as mandated under the Provisions of the Companies Act, 2013 and relevant rules thereunder.

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  
Unimech Aerospace and Manufacturing Limited  
(formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U30305KA2016PLC095712



Ramakrishna Kamojhala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024



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



Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024





**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited)**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated 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 their consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and Board of Directors for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing ("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 consolidated financial statements.

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

## **Other Matters**

- a. We did not audit the special purpose financial statements of one subsidiary, whose financial statements reflect total assets of INR 152.56 lakhs as at December 18, 2023, total revenues of INR 25.43 lakhs and net cash outflows amounting to INR (4.04) lakhs for the period ended on that date, as considered in the consolidated financial statements. These special purpose financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b. The consolidated 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.



- c. The comparative financial information of the Group for the year ended March 31, 2023 and the transition date opening balance sheet as at April 01, 2022 included in these consolidated financial statements, are based on the previously issued statutory 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 consolidated 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 on the consolidated financial statements is not modified in respect of the above matters.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Special Purpose Financial Statements of the subsidiary referred to in the Other Matters section above we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books of holding company and its subsidiaries.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the aforesaid consolidated 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 of the Holding Company and its subsidiary as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India 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 internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 20 to the consolidated financial statements.
- ii. The Group has long-term contracts as at March 31, 2024 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2024.





- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
- iv.
  - 1. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their 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 Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - 2. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors 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 mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination, Holding Company and subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent Company and its subsidiary companies incorporated in India have used accounting software for maintaining their respective books of account for the year ended March 31, 2024 and up-to December 18, 2023 of a subsidiary which has been deconsolidated, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year/period for all relevant transactions recorded in the software, and further, we did not come across any instance of audit trail feature being tampered with.
- 2. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the entities within the Group are private Companies as at March 31, 2024 (Refer note 50 to the consolidated financial statements).



3. According to the information and explanations given to us, the details of Qualifications remarks made by the respective auditors of the subsidiary in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No	Name of the Company	CIN	Type of Company (Holding /Subsidiary)	Clause number of the CARO Report which is qualified
1	Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited)	U30305KA2016PLC095712	Holding	3(vii)(a), 3(vii)(b)
2	Innomech Aerospace Toolings Private Limited	U29200KA2018PTC118006	Subsidiary	3(vii)(a), 3(vii)(b)

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



**Pankaj S Bhauwala**  
Partner  
Membership No.233552  
UDIN: 24233552BKBKPP9000



Place: Bengaluru  
Date: July 3, 2024

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING PRIVATE LIMITED)**

**Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.





# MSKA & Associates

Chartered Accountants

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



**Pankaj S Bhauwala**

**Partner**

Membership No. 233552

UDIN: 24233552BKBKPP9000



Place: Bengaluru

Date: July 3, 2024

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF UNIMECH AEROSPACE AND MANUFACTURING LIMITED (FORMERLY KNOWN AS UNIMECH AEROSPACE AND MANUFACTURING 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 Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) on the consolidated 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")**

**Opinion**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls reference to consolidated financial statements of Unimech Aerospace and Manufacturing Limited (formerly known as Unimech Aerospace and Manufacturing Private Limited) (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") which are companies incorporated in India, as of that date.

Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to one subsidiary incorporated in India namely Unimech Healthcare Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies 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 ("the ICAI").

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

The respective Management and the Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies 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 the respective 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 internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India.

### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 consolidated 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 consolidated financial statements.





# MSKA & Associates

Chartered Accountants

## Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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



**Pankaj S Bhauwala**  
Partner  
Membership No. 233552  
UDIN: 24233552BKBKPP9000



Place: Bengaluru  
Date: July 3, 2024

Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712  
Consolidated Balance Sheet as at March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

		As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Assets</b>	<b>Notes</b>			
<b>Non-current assets</b>				
Property, plant and equipment	3	4,507.22	2,157.17	1,602.54
Capital work-in-progress	4	2.38	3.97	302.53
Right-of-use assets	5	628.42	708.65	828.24
Intangible assets	6	64.12	26.69	35.86
Financial assets				
Other financial assets	7	87.81	68.46	308.01
Income tax assets	14(a)	-	4.01	6.77
Deferred tax assets (net)	35	56.24	67.66	75.23
Other non-current assets	8	850.95	20.71	-
<b>Total non-current assets</b>		<b>6,197.14</b>	<b>3,057.32</b>	<b>3,159.18</b>
<b>Current assets</b>				
Inventories	9	1,973.23	1,577.22	472.35
Financial assets				
Trade receivables	10	4,684.28	3,213.01	751.49
Cash and cash equivalents	11	717.77	187.56	344.91
Bank balances other than cash and cash equivalents	12	46.14	218.56	402.88
Other financial assets	13	2,390.39	599.63	175.76
Current tax assets (net)	14(b)	395.78	-	21.81
Other current assets	15	1,158.25	480.79	358.72
<b>Total current assets</b>		<b>11,365.84</b>	<b>6,276.77</b>	<b>2,527.92</b>
<b>Total assets</b>		<b>17,562.98</b>	<b>9,334.09</b>	<b>5,687.10</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	16	2,200.26	104.23	104.23
Other equity	17	8,658.87	4,780.07	2,661.53
<b>Total equity</b>		<b>10,859.13</b>	<b>4,884.30</b>	<b>2,765.76</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings	18	1,251.76	458.99	577.02
Lease liabilities	5	-	95.14	177.40
Deferred tax liabilities (net)	35	-	13.74	-
Provisions	20	-	601.99	179.69
<b>Total non-current liabilities</b>		<b>1,251.76</b>	<b>1,169.86</b>	<b>934.11</b>
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	21	1,633.74	1,766.93	1,134.67
Lease liabilities	5	104.09	82.25	106.81
Trade payables	22			
Total outstanding dues of micro enterprises and small enterprises		233.24	166.18	96.56
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,119.04	526.88	315.68
Other financial liabilities	19	336.72	344.01	106.76
Other current liabilities	23	67.98	69.71	78.37
Provisions	20	1,957.28	123.05	49.86
Current tax liabilities (net)	24	-	200.92	98.52
<b>Total current liabilities</b>		<b>5,452.09</b>	<b>3,279.93</b>	<b>1,987.23</b>
<b>Total liabilities</b>		<b>6,703.85</b>	<b>4,449.79</b>	<b>2,921.34</b>
<b>Total equity and liabilities</b>		<b>17,562.98</b>	<b>9,334.09</b>	<b>5,687.10</b>

The accompanying notes are an integral part of the consolidated balance sheet.

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

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



For and on behalf of the Board of Directors  
Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712

Ramakrishna Kamojhala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024

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

Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024



Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712  
Consolidated 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
<b>Income</b>			
Revenue from operations	25	20,877.51	9,416.66
Other income	26	501.04	76.40
<b>Total income</b>		<b>21,378.55</b>	<b>9,493.06</b>
<b>Expenses</b>			
Cost of materials consumed	27	4,863.06	2,975.13
Purchases of stock-in-trade	28	60.77	104.90
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(497.08)	(1,181.60)
Subcontractors charges	30	2,691.45	741.34
Employee benefits expenses	31	3,243.91	1,560.80
Finance costs	32	323.34	188.27
Depreciation and amortisation expenses	33	446.46	408.02
Other expenses	34	2,596.76	1,759.83
<b>Total expenses</b>		<b>13,728.67</b>	<b>6,556.69</b>
<b>Profit before tax</b>		<b>7,649.88</b>	<b>2,936.37</b>
<b>Income tax expense/ (credit)</b>	35		
Current tax		1,835.21	577.45
Deferred tax		1.36	77.74
<b>Total income tax expense/ (credit)</b>		<b>1,836.57</b>	<b>655.19</b>
<b>Profit for the year</b>		<b>5,813.31</b>	<b>2,281.18</b>
<b>Other comprehensive income</b>			
Item that will not be reclassified to profit or loss			
Remeasurements of post-employment defined benefit plans		(11.58)	(219.10)
Income tax relating to the above item		2.91	56.46
<b>Other comprehensive income for the year</b>		<b>(8.67)</b>	<b>(162.64)</b>
<b>Total comprehensive income for the year</b>		<b>5,804.64</b>	<b>2,118.54</b>
<b>Earnings per equity share</b>	37		
Basic (INR)		13.23	5.19
Diluted (INR)		13.23	5.19


The accompanying notes are an integral part of the consolidated statement of profit and loss.

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

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



For and on behalf of the Board of Directors  
Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712

  
Ramakrishna Kamojhala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024

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

  
Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024





Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712  
Consolidated 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
<b>Cash flows from operating activities</b>		
Profit before tax	7,649.88	2,936.37
Adjustments for:		
Depreciation and amortisation expenses	445.46	408.02
Unrealised foreign exchange gain/loss	(121.88)	24.49
Expected credit loss allowance and liquidated damages	100.96	77.17
Finance costs	328.22	272.77
Interest income	(160.82)	(74.17)
Profit on sale of investments	(0.20)	-
Loss on disposal of property, plant and equipment and intangible assets	(10.35)	(3.00)
<b>Operating profit before working capital changes</b>	<b>8,232.27</b>	<b>3,641.65</b>
<b>Changes in operating assets and liabilities</b>		
Decrease/ (increase) in inventories	(489.63)	(1,104.87)
Decrease/ (increase) in investments	-	-
Decrease/ (increase) in trade receivables	(1,412.86)	(1,834.98)
Decrease/ (increase) in other financial assets	(1,826.34)	(158.14)
Decrease/ (increase) in other current assets	(711.49)	(122.07)
Decrease/ (increase) in Loans	-	-
Decrease/ (increase) in Investments	-	-
Decrease/ (increase) in other non-current assets	(830.24)	(20.71)
Increase/ (decrease) in trade payables	625.18	(231.12)
Increase/ (decrease) in other current liabilities	1.25	(8.68)
Increase / (decrease) in provisions	1,220.66	224.77
Increase/ (decrease) in other financial liabilities	(17.84)	237.25
<b>Cash generated from operations</b>	<b>(3,441.31)</b>	<b>(3,018.55)</b>
Income taxes paid	(2,427.91)	(487.69)
<b>Net cash flows from operating activities (A)</b>	<b>2,363.05</b>	<b>135.41</b>
<b>Cash flows from investing activities</b>		
Payments for acquisition of property, plant and equipment	(2,779.90)	(541.23)
Payments for acquisition of intangible assets	(2.89)	(3.60)
Proceeds from sale of bank deposits	188.44	7.94
Interest received	159.01	71.16
Investment in bank deposits	-	(37.66)
Payments for purchase of investments	-	(101.00)
Proceeds from sales of investments	1.20	-
Proceeds from disposal of property, plant and equipment	42.00	-
Proceeds from disposal of intangible assets	-	12.50
<b>Net cash flows used in investing activities (B)</b>	<b>(2,392.14)</b>	<b>(591.89)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of equity share capital	-	101.00
Proceeds/ (repayment) of borrowings	969.91	489.35
Finance costs paid	(11.27)	(32.79)
Interest paid on borrowings and guarantee commission	(301.59)	(136.52)
Principal paid on lease liabilities	(84.76)	(106.81)
Interest paid on lease liabilities	(14.24)	(20.63)
<b>Net cash flows from financing activities (C)</b>	<b>558.05</b>	<b>293.60</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>528.96</b>	<b>(162.88)</b>
Cash and cash equivalents at the beginning of the year	187.56	344.91
Effects of exchange rate changes on cash and cash equivalents	1.25	5.53
<b>Cash and cash equivalents at the end of the year</b>	<b>717.77</b>	<b>187.56</b>
<b>Cash and cash equivalents comprise</b>		
Balances with banks:		
In current accounts	422.91	116.53
In EEFC accounts	194.47	70.71
Deposit with original maturity for less than 3 months	100.05	-
Cash on hand	0.34	0.32
<b>Total cash and cash equivalents at end of the year</b>	<b>717.77</b>	<b>187.56</b>

Refer to note Z1.1 for reconciliation of movements of liabilities to cash flows arising from financing activities.

The accompanying notes are an integral part of the consolidated statement of cash flows.

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  
Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712

Ramakrishna Kamajhala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024

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

Krishnappa Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024



Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712  
Consolidated 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 16)

Equity shares of INR 5 each issued, subscribed and fully paid

Balance as at April 1, 2023  
Changes in equity share capital during the previous year  
Add: Increase in shares due to conversion of debentures  
Add: Increase in shares due to share Split  
Add: Bonus issue during the year  
Balance as at March 31, 2024

Year ended March 31, 2024	
No. of shares	Amount
1,04,230	104.23
544	0.55
19,90,706	-
4,19,09,600	2,095.48
4,40,05,080	2,200.26

Equity shares of INR 100 each issued, subscribed and fully paid

Balance as at April 1, 2022  
Balance as at March 31, 2023

Year ended March 31, 2023	
No. of shares	Amount
1,04,230	104.23
1,04,230	104.23

(B) Other equity (Note 17)

Reserves and surplus - Retained earnings

Particulars

Balance as at April 1, 2023

Profit for the year  
Other comprehensive income for the year, net of tax  
Loss on derecognition of subsidiary  
Total comprehensive income for the year  
Transactions with owners in their capacity as owners  
Utilised on issue of bonus shares  
Balance as at March 31, 2024

Amount
4,780.07
5,813.31
(8.67)
140.29
10,725.00
(2,066.13)
8,658.87

Reserves and surplus - Retained earnings

Particulars

Balance as at April 1, 2022

Profit for the year  
Other comprehensive income for the year, net of tax  
Total comprehensive income for the year

Balance as at March 31, 2023

Amount
2,661.53
2,281.18
(162.64)
2,118.54
4,780.07

Reserves and surplus - Securities Premium

Balance as at April 1, 2023

Premium collected on conversion of convertible debentures  
Utilised on issue of bonus shares  
Balance as at March 31, 2024

Amount
-
29.35
(29.35)
-

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

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  
Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712

Rama Krishna Kamajhala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024

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

Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024



Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712  
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

**1 Corporate information**

Unimech Aerospace and Manufacturing Limited (Formerly known as Unimech Aerospace and Manufacturing Private Limited) ("the Company") was originally incorporated as a private limited company on August 12, 2016 and is converted into a public limited company on June 21, 2024, with Company Identification no: U30305KA2016PLC095712. The Company's registered office is at #538, 539, 542 & 543, 14th cross, 7th main, 4th phase, peenya industrial area, Bengaluru, Karnataka -560058.

The Group's main objective is to carry on the business of manufacturing products and components to be used in civil and defence aerospace sector.

These financial statements were approved for issue in accordance with a resolution of the board of 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 consolidated financial statements of the Group 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 consolidated financial statements.

The consolidated financial statements of the Group up to year ended March 31, 2023 ("statutory financial statements") 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 consolidated 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.

As such, the consolidated financial statements are prepared considering the accounting principles stated in Ind AS, as adopted by the Group and described in subsequent paragraphs.

Refer Note 36 for reconciliation of equity and total comprehensive income as per the consolidated financial statements as at and for the years ended March 31, 2023 and 2022 and the statutory consolidated financial statements as at and for the years ended March 31, 2023 and 2022.

**(b) Basis of measurement**

The consolidated 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 Group 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 consolidated 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.





- (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) and development costs 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 Group 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.  
**Group as a lessee**  
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group 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 Group 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 Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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 Group 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 Group 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.  
**Traded goods:** 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 basis.
- (f) **Impairment of non-financial assets**  
The Group 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 Group 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.





(g) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency.

Transactions in foreign currencies are initially recorded by the Group 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 contract with customer

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 Group 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 and sale of services is recognised at the point in time by measuring the progress towards complete satisfaction of performance obligations during the reporting period.

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 reassessed 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 Group 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 Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency 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 Group 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 Group 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.

(k) Provisions

General

Provisions are recognised when the Group 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 Group 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.



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#### Warranty provisions

The Group 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 Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group 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 Group 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 Group recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Group 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 Group 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 Group's business model for managing them.

##### 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 Group 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 Group 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 Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group 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.





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#### 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 consolidated 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.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

#### (q) Interest Income

Interest income is recognised using effective interest rate method. The effective interest rate is rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

### 2.4 Critical accounting estimates and judgements

The Group 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 Group 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 Group 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 Group 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 Group 'would have to pay', which requires estimation when no observable rates are available. The Group 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 and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. 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 Groups'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 Groups'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.



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- (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 Group'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.





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3 Property, plant and equipment

	Factory buildings	Plant and equipment	Furniture and fixtures	Computers	Office equipment	Vehicles	Leasehold improvements	Total
<b>Gross block</b>								
Balance as at April 1, 2022 (Note 3.1)	858.27	633.47	21.65	21.85	45.02	6.98	15.30	1,602.54
Additions	61.11	673.70	40.17	34.13	12.54	-	-	821.65
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	919.38	1,307.17	61.82	55.98	57.56	6.98	15.30	2,424.19
Additions	784.03	1,773.18	18.07	36.00	6.96	88.81	11.56	2,713.61
Disposals	-	(48.25)	-	-	-	-	-	(48.25)
Balance as at March 31, 2024	1,703.41	3,032.10	79.89	91.98	64.52	95.79	26.86	5,094.55
<b>Accumulated depreciation</b>								
Balance as at April 1, 2022	41.16	158.90	15.51	15.56	19.62	0.97	15.30	267.02
Depreciation for the year	41.16	158.90	15.51	15.56	19.62	0.97	15.30	267.02
Balance as at March 31, 2023	51.34	217.46	16.11	24.80	17.66	7.66	1.64	336.67
Depreciation for the year	-	-16.36	-	-	-	-	-	(16.36)
Disposals	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	92.50	360.00	31.62	40.36	37.28	8.63	16.94	587.33
<b>Net block</b>								
Balance as at March 31, 2024	1,610.91	2,672.10	48.27	51.62	27.24	87.16	9.92	4,507.22
Balance as at March 31, 2023	878.22	1,148.27	46.31	40.42	37.94	6.01	-	2,157.17
Balance as at April 1, 2022	858.27	633.47	21.65	21.85	45.02	6.98	15.30	1,602.54

3.1 Deemed cost

The Group 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 36).

3.2 Property, plant and equipment hypothecated as security

Refer to note 47 for information on property, plant and equipment hypothecated as security by the Group.

3.3 Contractual obligations

Refer to note 48 for details on contractual commitments for acquiring property, plant and equipment.



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4 Capital work-in-progress (CWIP)

	Amount
Balance as at April 1, 2022	302.53
Additions	18.39
Transfers	(316.95)
Balance as at March 31, 2023	3.97
Additions	2,327.57
Transfers	(2,329.16)
Balance as at March 31, 2024	2.38

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	2.38	-	-	-	2.38
Total	2.38	-	-	-	2.38

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	3.97	-	-	-	3.97
Total	3.97	-	-	-	3.97

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 824.17 lakhs (March 31, 2023: INR 66.10 lakhs) has been capitalised under factory building, INR 1,530.57 lakhs (March 31, 2023: INR 265.28 lakhs) has been capitalised under plant and equipment during the year ended March 31, 2024 and INR 28.98 lakhs has been capitalised under Furniture and Fixtures (March 31, 2023: Nil)



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5 Right of use/ 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	Buildings	Total
Gross Block				
As at April 1, 2022	559.67	47.66	320.11	927.44
Additions during the year	-	-	-	-
As at March 31, 2023	559.67	47.66	320.11	927.44
Additions during the year	-	-	11.44	11.44
As at March 31, 2024	559.67	47.66	331.55	938.88
Accumulated amortisation				
As at April 1, 2022	5.73	14.02	79.45	99.20
Amortisation for the year	5.73	33.64	80.22	119.59
As at March 31, 2023	11.46	47.66	159.67	218.79
Amortisation for the year	5.73	-	85.24	91.67
As at March 31, 2024	17.19	47.66	245.61	310.46
Net block				
Balance as at April 1, 2022	553.94	33.64	240.66	828.24
Balance as at March 31, 2023	548.21	-	160.44	708.65
Balance as at March 31, 2024	542.48	-	85.94	628.42

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

	Plant and equipment	Buildings	Total
As at April 1, 2022	36.12	248.09	284.21
Additions during the year	-	-	-
Interest expense on lease liabilities	1.32	19.31	20.63
Payments during the year	(37.44)	(90.00)	(127.44)
As at March 31, 2023	-	177.40	177.40
Additions during the year	-	11.45	11.45
Interest expense on lease liabilities	-	14.24	14.24
Payments during the year	-	(99.00)	(99.00)
As at March 31, 2024	-	104.09	104.09
Non-current	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Current	-	95.14	177.40
	104.09	82.25	106.81
	104.09	177.39	284.21

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 32)	14.24	20.63
Amortisation on right-of-use assets (Refer note 33)	91.67	113.86

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	99.00	127.44
Total	99.00	127.44

5.5 Right-of-use assets hypothecated as security

Refer to note 47 for information on right-of-use assets hypothecated as security by the Group.

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





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6 Intangible assets

	Software	Development costs	Total
<b>Gross block</b>			
Balance as at April 1, 2022 (Note 6.1)	35.86	-	35.86
Additions	16.10	5.64	21.74
Disposals	(10.80)	-	(10.80)
Balance as at March 31, 2023	41.16	5.64	46.80
Additions	65.77	-	65.77
Disposals	(12.50)	(5.64)	(18.14)
Balance as at March 31, 2024	94.43	-	94.43
<b>Accumulated amortisation</b>			
Balance as at April 1, 2022	-	-	-
Amortisation for the year	20.23	1.18	21.41
Disposals	(1.30)	-	(1.30)
Balance as at March 31, 2023	18.93	1.18	20.11
Amortisation for the year	16.84	1.28	18.12
Disposals	(5.46)	(2.46)	(7.92)
Balance as at March 31, 2024	30.31	-	30.31
<b>Net block</b>			
Balance as at March 31, 2024	64.12	-	64.12
Balance as at March 31, 2023	22.23	4.46	26.69
Balance as at April 1, 2022	35.86	-	35.86

6.1 Deemed cost

The Group 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 36).



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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	44.19	40.86	66.38
Bank deposits with remaining maturity more than 12 months	43.62	27.60	241.63
Total other non-current financial assets	87.81	68.46	308.01

Refer to note 40 for information about the Group'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	850.95	18.73	-
Prepaid expenses	-	1.98	-
Total other non-current assets	850.95	20.71	-

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)	126.82	160.22	211.00
Stock-in-trade	-	45.70	-
Work-in-progress	1,716.95	1,091.14	261.35
Finished goods	129.46	280.16	-
Total inventories	1,973.23	1,577.22	472.35

\* Includes goods in transit of INR 75.67 lakhs (March 31, 2023: Nil and March 31, 2022: Nil)

9.1 Inventories hypothecated as security

Refer to note 47 for information on inventories hypothecated as security by the Group.



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10 Trade receivables

Considered good - unsecured  
Less: Loss allowance  
Less: Liquidated damages  
Trade receivables - net

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
4,892.22	3,319.97	781.28
(35.47)	(20.80)	(14.62)
(172.47)	(86.16)	(15.17)
<u>4,684.28</u>	<u>3,213.01</u>	<u>751.49</u>

10.1 Trade receivables ageing schedule  
As at March 31, 2024

	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	1,780.50	3,051.68	52.79	6.73	0.53	-	4,892.22
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	-	-	-	-	-	-	-
<b>Sub total</b>	<b>1,780.50</b>	<b>3,051.68</b>	<b>52.79</b>	<b>6.73</b>	<b>0.53</b>	<b>-</b>	<b>4,892.22</b>
Less: Expected credit loss allowance							(35.47)
Less: Liquidated damages							(172.47)
<b>Total</b>							<b>4,684.28</b>

As at March 31, 2023

	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	2,150.74	1,130.60	17.76	5.64	-	15.23	3,319.97
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	-	-	-	-	-	-	-
<b>Sub total</b>	<b>2,150.74</b>	<b>1,130.60</b>	<b>17.76</b>	<b>5.64</b>	<b>-</b>	<b>15.23</b>	<b>3,319.97</b>
Less: Expected credit loss allowance							(20.80)
Less: Liquidated damages							(86.16)
<b>Total</b>							<b>3,213.01</b>

As at April 1, 2022

	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	576.08	155.87	28.20	7.05	-	14.08	781.28
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	-	-	-	-	-	-	-
<b>Sub total</b>	<b>576.08</b>	<b>155.87</b>	<b>28.20</b>	<b>7.05</b>	<b>-</b>	<b>14.08</b>	<b>781.28</b>
Less: Expected credit loss allowance							(14.62)
Less: Liquidated damages							(15.17)
<b>Total</b>							<b>751.49</b>

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 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 30-120 days.

10.4 Refer to note 40 for information about the Group's exposure to financial risks.

10.5 Trade Receivables hypothecated as security

Refer to note 47 for information on trade receivables hypothecated as security by the Company.





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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	422.91	116.53	279.06
In EEFC accounts	194.47	70.71	65.82
Deposit with original maturity for less than 3 months	100.05	-	-
Cash on hand	0.34	0.32	0.03
Total cash and cash equivalents	717.77	187.56	344.91

Refer to note 47 for information on cash and cash equivalents hypothecated as security by the Group and note 40 for information about the Group'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 original maturity for more than 3 months but less than 12 months	23.82	33.99	159.02
Deposits held as margin money for guarantee	22.32	184.57	220.18
Earmarked balances with banks	-	-	23.68
Total bank balances other than cash and cash equivalents	46.14	218.56	402.88

Refer to note 47 for information on bank balances other than cash and cash equivalents hypothecated as security by the Group and note 40 for information about the Group'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	12.76	10.78	9.41
Advances to related parties (Note 39.3)	-	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
Other Receivables	6.50	8.51	1.57
Deposit with original maturity for more than 3 months but less than 12 months	422.43	62.09	52.78
Total other current financial assets	2,390.39	599.63	175.76

Refer to note 47 for information on other current financial assets hypothecated as security by the Group and note 40 for information about the Group's exposure to financial risks.

14 Tax assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
14(a) Non-Current Income tax assets			
Advance income tax	-	4.01	6.77
Total current tax assets (net)	-	4.01	6.77
14(b) Current tax assets (net)			
Advance income tax	395.78	-	21.81
Total current tax assets (net)	395.78	-	21.81

Refer to note 47 for information on current tax assets hypothecated as security by the Group.

15 Other current assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Advances to suppliers	650.39	271.48	62.77
Balances with government authorities	306.65	160.16	248.02
Prepaid expenses	59.46	19.05	9.98
Government incentives	-	30.10	37.95
Other receivables (refer note 15.1)	141.75	-	-
Total other current assets	1,158.25	480.79	358.72

Refer to note 47 for information on other current assets hypothecated as security by the Group.

15.1 During the year ended March 31, 2024, the Holding Company has incurred expenses towards proposed Initial Public Offering ("IPO") of its equity shares and the qualifying expenses attributable to the proposed issue of equity shares has been recognised as other current assets. The Holding Company expects to recover certain amounts from its shareholders and the balance amount would be netted off in securities premium account in accordance with Section 52 of the Companies Act, 2013 upon the shares being issued.



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16 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 5 each (2023: INR 100 each, 2022: INR 100 each)	6,00,00,000	3,000.00	1,10,000	110.00	1,10,000	110.00
	6,00,00,000	3,000.00	1,10,000	110.00	1,10,000	110.00
Issued, subscribed and paid up						
Equity shares of INR 5 each (2023: INR 100 each, 2022: INR 100 each), fully paid-up	4,40,05,080	2,200.26	1,04,230	104.23	1,04,230	104.23
Total	4,40,05,080	2,200.26	1,04,230	104.23	1,04,230	104.23

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

	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
Equity shares						
Outstanding at the beginning of the year	1,04,230	104.23	1,04,230	104.23	1,04,230	104.23
Add: Increase in shares due to conversion of debentures	544	0.55	-	-	-	-
Add: Increase in shares due to share split	19,90,706	-	-	-	-	-
Add: Bonus issue during the year	4,19,09,600	2,095.48	-	-	-	-
Outstanding at the end of the year	4,40,05,080	2,200.26	1,04,230	104.23	1,04,230	104.23

(a) Increase in authorized share capital and Sub-division/ Split of equity shares

Pursuant to the Shareholders resolution dated December 23, 2023, the Holding Company split 1,10,000 equity shares of INR 100 each divided into 22,00,000 equity shares of INR 5 each and increased authorized share capital of the Company from INR 110.00 lakhs to INR 3,000.00 lakhs by additional creation of 5,78,00,000 equity share of INR 5 each.

(b) Bonus issue of equity shares

Pursuant to the Shareholders resolution dated December 27, 2023, the Holding Company has issued 419,09,600 equity shares having face value of INR 5 each by way of bonus issue to its shareholders by utilising an amount of INR 2,095.48 lakhs from the balance in retained earnings and securities premium in the ratio of 1:20. The paid-up share capital of the Company has been increased to 4,40,05,080 equity shares of face value of INR 5 each as at March 31, 2024

16.2 Rights, preferences and restrictions attached to equity shares

Equity shares have a face value of INR 5 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.

16.3 Equity shares held by holding/ ultimate holding company and by their subsidiaries

No equity shares of the Company are held by its holding company or its ultimate holding company including shares held by subsidiaries or associates of the holding company or the ultimate holding company.

16.4 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	Number of shares	% of holding In the class	Number of shares	% of holding In the class
Equity shares of INR 5 each fully paid-up (2023: INR 100 each, 2022: INR 100 each)						
Rashmi Anil Kumar	15,40,180	3.50%	35,439	34.00%	35,439	34.00%
Anil Kumar Puthan	1,33,44,200	30.32%	-	-	-	-
Ramakrishna Kamojhala	78,79,620	17.91%	18,761	18.00%	18,761	18.00%
Mani Puthan	78,79,620	17.91%	18,761	18.00%	18,761	18.00%
Preetham Shimoga	52,53,360	11.94%	12,508	12.00%	12,508	12.00%
Rajanikanth Balaraman	78,79,620	17.91%	18,761	18.00%	18,761	18.00%

16.5 Aggregate number of shares issued pursuant to contract without payment being received in cash, for consideration other than cash, bonus shares allotted and shares bought back during the period of five years immediately preceding the reporting date

There are no such shares issued, allotted or bought back during the period of five years immediately preceding the reporting date.

16.6 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.

16.7 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	
	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
Equity shares of INR 5 each fully paid-up (2023: INR 100 each, 2022: INR 100 each)								
Anil Kumar Puthan	1,33,44,200	30.32%	100.00%	-	-	-	-	-
Ramakrishna Kamojhala	78,79,620	17.91%	41900.00%	18,761	18.00%	0.00%	18,761	18.00%
Mani Puthan	78,79,620	17.91%	41900.00%	18,761	18.00%	0.00%	18,761	18.00%
Preetham Shimoga	52,53,360	11.94%	41900.00%	12,508	12.00%	0.00%	12,508	12.00%
Rajanikanth Balaraman	78,79,620	17.91%	41900.00%	18,761	18.00%	0.00%	18,761	18.00%
Rashmi Anil Kumar	15,40,180	3.50%	4246.00%	35,439	34.00%	0.00%	35,439	34.00%
Total	4,37,76,600	99.48%		1,04,230	100.00%		1,04,230	100.00%



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17 Other equity

Reserves and surplus  
Retained earnings (Note 17.1)  
Total other equity

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
8,658.87	4,780.07	2,661.53
8,658.87	4,780.07	2,661.53

17.1 Movement in reserves and surplus

Retained earnings  
Opening balance  
Profit for the year  
Utilised on issue of bonus shares (Refer note 16.1 (b))  
Loss on derecognition of subsidiary\*  
Items of OCI recognised directly in retained earnings  
Remeasurements of post-employment defined benefit plans (net of tax)  
Closing balance  
  
Securities Premium  
Opening balance  
Premium collected on conversion of convertible debentures  
Utilised on issue of bonus shares  
Closing balance

As at March 31, 2024	As at March 31, 2023
4,780.07	2,661.53
5,813.31	2,281.18
(2,066.13)	-
140.29	-
(8.67)	(162.64)
8,658.87	4,780.07
-	-
29.35	-
(29.35)	-
-	-

\* Pursuant to shareholders resolution dated December 12, 2023, company approved the sale of equity shares of Unimech Healthcare Private Limited (wholly owned subsidiary) at a consideration of INR 1.2 lakhs.

17.2 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 and these can be utilised as per the Provisions of the Companies Act, 2013.

18 Non-current borrowings

Notes  
  
Secured  
Term loans  
From banks  
Indian Rupee loans  
USD loans  
From financial institutions  
  
Unsecured  
Debentures  
0.01% Convertible debentures  
  
Less: Current maturities of long term debt  
Total non-current borrowings

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
253.26	62.77	93.51
1,530.07	602.93	569.30
-	113.09	183.27
-	-	26.64
1,783.33	778.79	872.72
(531.57)	(319.80)	(295.70)
1,251.76	458.99	577.02

The details of financial and non financial assets hypothecated as security for borrowings are disclosed in Note 47.

Refer to note 40 for information about the Group's exposure to financial risks.





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18.1 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
-Secured by way of hypothecation of machinery acquired out of loan availed	N.A.	N.A.	Floating interest rate Linked to Repo rate	-	50.27	71.01
-Secured by way of hypothecation of Company's entire current asset both present and future	N.A.	August 2024	Repo rate+1.5% i.e., 8%	200.00	-	-
				<u>200.00</u>	<u>62.77</u>	<u>93.51</u>
(ii) USD term loans from banks						
-Secured by way of hypothecation of entire present and future movable fixed assets of the Company including plant and machinery, equipment, fixtures and commercial vehicles (excluding fixed assets funded by any other financial institution) on exclusive basis.	17	August 2025	Secured overnight financing rate plus 350 basis points (approx. 7.20%)	246.90	415.30	552.65
	44	November 2027		142.02	177.59	-
-Secured by way of hypothecation of land & building, machinery along with a guarantee provided by the parent company and promoter directors.	54	September 2028	Secured overnight financing rate plus 100 basis points	663.13	-	-
	56	November 2028	Repo+1.6%	253.26	-	-
	57	December 2028	Secured overnight financing rate plus 100 basis points	478.02	-	-
-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	1,152.50	534.74
-Secured by way of hypothecation of asset created out of term loans	N.A.	June 2024	Repo+1.6%	0.67	-	-
				<u>2,685.50</u>	<u>1,745.39</u>	<u>1,087.39</u>
(iii) Indian Rupee term loans from a financial institution						
-Secured by way of hypothecation of machinery purchased out of the term loan. Guarantee for the loan have been provided by the parent company as well as promoter directors.	N.A.	N.A.	10.50%	-	104.52	149.08
	N.A.	N.A.	10.15%	-	-	15.96
-Secured by way of hypothecation of CNC vertical machining center	N.A.	N.A.	10.50%	-	18.61	33.89
				<u>-</u>	<u>123.13</u>	<u>198.93</u>
(iv) Convertible Debentures	N.A.	N.A.	0.01%	-	29.30	26.64

During the year ended March 31, 2018, the Company issued 15,000 debentures at a face value of INR 100 each and during the year ended March 31, 2019, the Company issued 15,000 debentures at a face value of INR 100 each. In the event of Company secures the participation from a financial investor, venture capitalist, private equity players etc for their growth plans in 3 years time, the existing debentures would be converted in to equity shares at the valuation set by the financial investors or venture capitalist. In case Company fails to secure the participation from the major investor, the Company shall be obliged to convert the debentures in to shares at nil discount in accordance with the registered valuer or chartered accountant, however the investor will have a right to ask for repayment of debentures along with the interest after 3 years. In such event, the Company is obliged to repay the principle along with the interest at nominal rate of 0.01% simple rate of interest. The fair value of the liability was determined as at April 1, 2021. The fair value of the liability, included in non-current borrowings, at inception was calculated using a market interest rate for an equivalent instrument without conversion option. The discount rate applied was 9.25%.

Movement in carrying amount of liability during the year is as follows:

	Amount
Carrying amount of liability as at April 1, 2022	26.64
Interest	2.66
Carrying amount of liability as at March 31, 2023	29.30
Interest	0.70
Converted into equity shares	(30.00)
Carrying amount of liability as at March 31, 2024	-

(v) Euro term loans from banks

	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
-Secured by way of hypothecation of Company's entire current asset both present and future	N.A.	N.A.	6 months Libor +1.75%	-	265.33	305.22



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19 Other financial liabilities

	Current		
	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Security deposits	-	11.64	11.64
Employee benefits payable	261.48	319.49	90.92
Interest accrued and due on borrowings	-	0.02	0.01
Other payables	4.76	12.86	4.19
Capital Creditors	70.48	-	-
Total other financial liabilities	336.72	344.01	106.76

20 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 and warranty costs	-	-	-	204.64	89.34	34.40
Provision for employee benefits	-	-	-	-	-	-
Gratuity (Note 38(h))	-	23.22	14.66	24.32	0.71	0.57
Longevity bonus	-	578.77	165.03	1,349.14	4.25	1.72
Compensated absences	-	-	-	58.75	28.75	13.17
Provision for litigations	-	-	-	320.43	-	-
Total provisions	-	601.99	179.69	1,957.28	123.05	49.86

20.1 Movement in provision for warranties

	Amount
As at April 1, 2023	89.34
Provision charged to profit and loss	133.22
Provisions utilised/reversed during the year	(17.92)
Balance as at March 31, 2024	204.64
As at April 1, 2022	34.40
Provision charged to profit and loss	88.94
Provisions utilised/reversed during the year	(34.00)
Balance as at March 31, 2023	89.34

21 Current borrowings

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Secured</b>			
Term loans			
From banks			
Indian Rupee loans	21.1(ii)	1,102.17	-
USD loans	21.1(ii)	-	1,152.50
Euro loans	21.1(v)	265.33	305.22
Current maturities of long term debts			
Term loans from banks	531.57	280.60	256.50
Term loans from financial institutions	-	39.20	39.20
<b>Unsecured</b>			
Current maturities of long term debts			
0.01% Convertible debentures	-	29.30	-
Total current borrowings	1,633.74	1,766.93	1,134.67

The details of financial and non financial assets hypothecated as security for borrowings are disclosed in Note 47.

Refer to note 40 for information about the Group's exposure to financial risks.



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21.1 Net debt reconciliation

Net debt as on April 1, 2022

Cash flows

Proceeds from borrowings  
Repayment of borrowings  
Interest paid on borrowings  
Interest paid on lease liabilities  
Principal paid on lease liabilities

Non-cash flows

Interest expenses  
Interest on guarantee liability  
Loan processing fee  
Exchange loss  
Rank charges  
Amortisation of loan processing charges  
Prepaid loan processing charges adjusted through EIR  
Adjustment of security deposit paid for borrowing

Net debt as at March 31, 2023

Proceeds from borrowings  
Repayment of borrowings  
Interest paid on borrowings  
Guarantee commission charges  
Interest paid on lease liabilities  
Principal paid on lease liabilities

Non-cash flows:

Interest expenses  
Conversion of convertible debentures into equity shares during the year  
Addition to lease liabilities  
Bank guarantee issue charges  
Other adjustments  
Effects of changes in foreign exchange rates

Net debt as at March 31, 2024

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
	<b>Borrowings</b>	<b>Lease liabilities</b>	<b>Total</b>
	1,711.69	284.21	1,995.90
	5,597.70	-	5,597.70
	(5,108.35)	-	(5,108.35)
	(169.31)	-	(169.31)
	-	(17.99)	(17.99)
	-	(108.13)	(108.13)
	156.88	19.31	176.19
	8.20	-	8.20
	1.82	-	1.82
	25.10	-	25.10
	0.03	-	0.03
	2.98	-	2.98
	(1.64)	-	(1.64)
	0.82	-	0.82
	2,225.92	177.40	2,403.32
	5,565.79	-	5,565.79
	(4,595.88)	-	(4,595.88)
	(207.86)	-	(207.86)
	(105.00)	-	(105.00)
	-	(14.24)	(14.24)
	-	(84.76)	(84.76)
	207.52	14.24	221.76
	(29.90)	-	(29.90)
	-	11.45	11.45
	0.34	-	0.34
	(182.53)	-	(182.53)
	7.10	-	7.10
	2,885.50	104.09	3,094.59





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## 22 Trade payables

	Note	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Total outstanding dues of micro enterprises and small enterprises	22.1	233.24	166.18	96.56
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,119.04	526.88	315.68
Total trade payables		1,352.28	693.06	412.24

Refer to note 40 for information about the Group's exposure to financial risks.

### 22.1 MSME disclosure

Based on the information available with the Company, there are outstanding dues and payments made during the years ended March 31, 2023 and April 1, 2022 to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006. There is interest payable or paid during the years ended March 31, 2023 and April 1, 2022 to any suppliers under the said Act.

Particulars	Note	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		228.57	163.04	94.84
Interest		4.67	3.14	1.72
Total		233.24	166.18	96.56
(b) The amount of interest paid by the buyer in terms of section 16 of the MSME 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 MSME Act.		-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.		1.12	1.41	1.72
(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 MSME Act.		4.67	3.14	1.72

### 22.2 Trade payables ageing schedule

As at March 31, 2024

	Unbilled dues	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	8.74	152.98	68.82	1.39	1.31	-	233.24
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	356.58	356.90	394.91	10.62	0.03	-	1,119.04
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	365.32	509.88	463.73	12.01	1.34	-	1,352.28

As at March 31, 2023

	Unbilled dues	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	143.63	3.76	0.33	-	-	166.18
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	115.11	291.89	111.87	7.77	0.24	-	526.88
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	133.57	435.52	115.63	8.10	0.24	-	693.06

As at April 1, 2022

	Unbilled dues	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	84.24	9.33	-	-	-	96.56
(ii) Disputed dues - MSME	-	-	-	-	-	-	-
(iii) Others	29.88	181.94	82.64	20.88	0.34	-	315.68
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	32.87	266.18	91.97	20.88	0.34	-	412.24

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



23 Other current liabilities

Statutory dues  
Advance from customers  
Liabilities for corporate social responsibility  
Other Payables (Refer note 15.1)  
Total other current liabilities

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
52.84	68.51	37.18
-	1.02	-
-	0.18	41.19
15.14	-	-
67.98	69.71	78.37

24 Current tax liabilities (net)

Current tax payable  
Less: Advance tax (including TDS receivables)  
Total current tax liabilities (net)

As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
-	639.08	105.85
-	(438.16)	(7.33)
-	200.92	98.52



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25 Revenue from operations

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contracts with customers		
Sale of goods	20,766.51	8,968.04
Sale of services	34.72	290.04
	20,801.23	9,258.08
Other operating revenues	76.28	158.58
Total revenue from operations	20,877.51	9,416.66

Nature of goods

	Year ended March 31, 2024	Year ended March 31, 2023
Manufactured		
- Manufacturing of aerospace toolings and components	20,741.16	8,917.93
- Air purifiers	25.35	27.63
- AQMS	-	1.26
Traded		
- Air purifiers	-	10.84
- AQMS	-	10.38
Total	20,766.51	8,968.04

Nature of services

	Year ended March 31, 2024	Year ended March 31, 2023
Upgradation and rework services	34.72	290.04
Total	34.72	290.04

Other operating revenues

	Year ended March 31, 2024	Year ended March 31, 2023
Scrap sales	26.20	35.66
Rental Income	10.28	22.52
Duty drawbacks received*	18.84	28.20
Merchant exporter incentive*	-	29.62
Other sales	20.96	42.58
Total	76.28	158.58

\* There are no unfulfilled conditions attached to recognition of duty drawbacks and merchant exporter incentive

25.1 Disaggregated revenue information

Geographic revenue

	Year ended March 31, 2024	Year ended March 31, 2023
Within India	500.84	452.17
Outside India	20,376.67	8,964.49
Total	20,877.51	9,416.66

Timing of revenue recognition

	Year ended March 31, 2024	Year ended March 31, 2023
Products and services transferred at a point in time	20,877.51	9,416.66
Total	20,877.51	9,416.66

25.2 Reconciliation of contract price with revenue during the year

	Year ended March 31, 2024	Year ended March 31, 2023
Revenue as per contract price	20,966.84	9,494.21
Adjustments:		
- Sales returns	(5.81)	(12.81)
- Liquidated damages	(83.52)	(64.74)
Revenue from contracts with customers	20,877.51	9,416.66

25.3 Performance obligations:

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.





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26 Other income

	Year ended March 31, 2024	Year ended March 31, 2023
Interest income		
On fixed deposits at amortised cost	154.13	38.46
On loans to related parties at amortised cost	-	-
Unwinding of discount on security deposits at amortised cost	1.81	2.42
On income taxes	-	0.59
Gain on foreign exchange transactions (net)	313.15	21.03
Subsidy interest	15.57	1.45
Profit on sale of assets	10.35	3.00
Profit on sale of investments	0.20	-
Miscellaneous income	5.83	9.45
Total other income	501.04	76.40

27 Cost of materials consumed

	Year ended March 31, 2024	Year ended March 31, 2023
Inventories of raw materials at the beginning of the year	134.26	211.00
Add: Purchases	4,855.62	2,898.39
Less: Inventories of raw materials at the end of the year	(126.82)	(134.26)
Total cost of materials consumed	4,863.06	2,975.13

28 Purchases of stock-in-trade

	Year ended March 31, 2024	Year ended March 31, 2023
Purchases of stock-in-trade	60.77	104.90
Total purchases of stock-in-trade	60.77	104.90

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

	Year ended March 31, 2024	Year ended March 31, 2023
Inventories at the beginning of the year		
- Stock-in-trade	71.65	-
- Finished goods	280.16	-
- Work-in-progress	1,091.14	261.35
	1,442.95	261.35
Inventories at the end of the year		
- Stock-in-trade	-	71.65
- Finished goods	223.08	280.16
- Work-in-progress	1,716.95	1,091.14
	1,940.03	1,442.95
Net increase	(497.08)	(1,181.60)

30 Subcontractors charges

	Year ended March 31, 2024	Year ended March 31, 2023
Subcontractors charges	2,691.45	741.34
Total subcontractors charges	2,691.45	741.34

31 Employee benefits expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	3,021.89	1,454.29
Contribution to provident and other funds[(refer note 38(a))]	53.49	40.83
Gratuity expenses[refer note 38(b)]	21.47	11.45
Staff welfare expenses	147.06	54.23
Total employee benefits expenses	3,243.91	1,560.80

32 Finance costs

	Year ended March 31, 2024	Year ended March 31, 2023
Interest on borrowings at amortised cost	202.64	126.59
Interest on income tax	-	37.82
Interest on lease liabilities	14.24	20.63
Guarantee commission expenses	105.00	-
Loan processing fee	-	1.82
Interest on delayed payments to micro enterprises and small enterprises	1.12	1.41
Bank guarantee issue charges	0.34	-
Total finance costs	323.34	188.27

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



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33 Depreciation and amortisation expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on property, plant and equipment	336.57	267.02
Amortisation of lease hold land	5.73	5.73
Amortisation on right-of-use assets	85.94	113.86
Amortisation on intangible assets	18.12	21.41
Total depreciation and amortisation expenses	446.46	408.02

34 Other expenses

	Year ended March 31, 2024	Year ended March 31, 2023
Stores and spares	149.17	115.00
Manpower support cost	457.85	197.31
Utilities	139.74	102.25
Repairs and maintenance		
- Factory and building	22.63	36.52
- Plant and machineries	30.56	13.80
- Others	26.50	3.41
Factory expenses	13.72	10.10
Freight outward	0.08	76.61
Security charges	46.02	28.81
Office expenses	0.73	-
Printing and stationery	22.42	13.40
Information technology expenses	15.70	23.08
Insurance	25.59	10.55
Legal and professional charges	1,080.48	746.71
Recruitment cost	15.34	4.19
Audit fees	12.90	3.95
Sales promotion	14.72	123.96
Expected credit loss allowance	14.66	6.18
Travelling and conveyance	131.70	76.83
Communication expenses	5.35	7.00
Rates and taxes	148.18	40.34
Bank charges	9.32	12.83
Subscription charges	5.01	-
Rework and warranty costs	133.22	88.94
CSR expenses (refer note 43)	27.48	-
Bad debts	28.23	-
Miscellaneous expenses	19.46	18.06
Total other expenses	2,596.76	1,759.83

34.1 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	12.90	2.95
Tax audit and others	-	1.00
Total audit fee	12.90	3.95



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35 Income tax

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

	Year ended March 31, 2024	Year ended March 31, 2023
- Current tax	1,545.70	577.45
- Tax expense relating to prior year (net)	289.51	-
	1,835.21	577.45
- Deferred tax	0.04	16.10
Income tax expense reported in the statement of profit or loss	1,835.25	593.55

35.2 Reconciliation of tax charge

	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	7,717.32	3,009.42
Income tax expense at tax rates applicable	25.17%	25.17%
Expected income tax expense/ (benefit) at statutory tax rate	1,942.44	757.47
Tax effects of:		
Adjustments for current tax of prior periods	285.51	-
Interest on MSME	0.35	0.04
Disallowances u/s 37	4.00	6.50
Income tax relating to remeasurements of post-employment defined benefit plans	2.91	61.64
Interest on income tax	-	9.52
Others adjustments	(399.97)	(241.62)
Income tax expense	1,835.24	593.55

35.3 Deferred tax relates to the following:

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Deferred tax assets</b>			
Property, plant and equipment and intangible assets	14.97	5.73	47.33
Provisions	30.52	39.33	24.58
Trade receivables	5.72	4.79	3.67
Lease liabilities	26.20	44.65	62.44
Borrowings	-	-	0.45
Others	0.46	21.78	18.65
	77.87	116.28	157.12
<b>Deferred tax liabilities</b>			
Property, plant and equipment and intangible assets	-	(14.47)	(4.01)
Right-of-use assets	(21.63)	(40.38)	(60.57)
Other non-current assets	-	-	-
Borrowings	-	(0.59)	-
Others	-	(6.91)	(17.31)
	(21.63)	(62.35)	(81.89)
<b>Deferred tax assets (net)</b>	56.24	53.93	75.23

35.4 Deferred tax assets/liabilities (net)

Reconciliation of deferred tax assets (net):

	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening balance	53.92	27.89	10.16
Tax expense recognised in statement of profit and loss	2.32	39.77	65.07
Total	56.24	67.66	75.23

Reconciliation of deferred tax liabilities (net):

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Opening balance	-	47.33	-
Tax expense recognised in statement of profit and loss	-	(61.07)	-
Total	-	(13.74)	-

Unused tax credits for which no deferred tax asset is recognised  
Minimum alternate tax credit

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
	1,741.81	552.69	100.49



36 First time adoption of Ind AS

Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

		As at March 31, 2023				As at April 1, 2022			
	Note	Indian GAAP	Other Adjustments	Effect of transition to Ind AS	Ind AS	Indian GAAP	Other Adjustments	Effect of transition to Ind AS	Ind AS
<b>Assets</b>									
<b>Non-current assets</b>									
Property, Plant & Equipment	g,h	2,724.61	(567.44)	-	2,157.17	2,157.08	(554.54)	-	1,602.54
Right of use assets	a	-	548.21	160.44	708.65	-	587.58	240.66	826.24
Capital work-in-progress	g	3.98	(0.01)	-	1.97	302.54	(0.01)	-	302.53
Other intangible assets		28.39	(1.70)	-	26.69	35.43	0.43	-	35.86
<b>Financial assets</b>									
Other financial assets	b	-	73.92	(5.46)	68.46	-	315.89	(7.88)	308.01
Deferred tax assets (net)	e	145.56	(106.18)	28.28	67.66	9.67	47.34	18.22	75.23
Income tax assets	g,h	-	4.01	-	4.01	-	6.77	-	6.77
Long-term loans and advances	g	115.67	(115.67)	-	-	-	-	-	-
Other non-current assets	g,h	53.36	(32.65)	-	20.71	131.45	(131.45)	-	-
<b>Total non-current assets</b>		<b>3,071.57</b>	<b>(197.51)</b>	<b>183.26</b>	<b>3,057.32</b>	<b>2,636.17</b>	<b>272.01</b>	<b>251.00</b>	<b>3,159.18</b>
<b>Current Assets</b>									
Inventories	g,h	1,478.29	148.93	-	1,577.22	516.61	(44.26)	-	472.35
<b>Financial assets</b>									
Trade receivables	c	3,670.19	(416.38)	(20.80)	3,213.01	781.34	(15.23)	(14.62)	751.49
Cash and cash equivalents	g	984.59	(797.03)	-	187.56	1,072.86	(727.95)	-	344.91
Bank balances other than cash and cash equivalents	g	-	218.56	-	218.56	-	402.88	-	402.88
Other financial assets	g	-	599.63	-	599.63	-	175.76	-	175.76
Short-term loans and advances	g	916.65	(916.65)	-	-	301.13	(301.13)	-	-
Current tax assets (net)	g,h	-	-	-	-	18.44	3.37	-	21.81
Other current assets	g	92.51	388.28	-	480.79	102.89	244.93	10.90	358.72
<b>Total current assets</b>		<b>7,092.23</b>	<b>(794.66)</b>	<b>(20.80)</b>	<b>6,276.77</b>	<b>2,793.27</b>	<b>(261.63)</b>	<b>(3.72)</b>	<b>2,527.92</b>
<b>Total assets</b>		<b>10,163.80</b>	<b>(992.17)</b>	<b>162.46</b>	<b>9,334.09</b>	<b>5,429.44</b>	<b>10.38</b>	<b>247.28</b>	<b>5,687.10</b>





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Note	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
<b>I EQUITY</b>								
(a) Equity Share capital	104.23	-	-	104.23	104.23	-	-	104.23
(b) Other equity	5,250.63	(473.09)	2.51	4,780.07	2,614.78	(47.66)	94.91	2,661.53
<b>Total equity</b>	<b>5,354.86</b>	<b>(473.09)</b>	<b>2.53</b>	<b>4,884.30</b>	<b>2,718.51</b>	<b>(47.66)</b>	<b>94.91</b>	<b>2,765.76</b>
<b>II LIABILITIES</b>								
<b>Non-current liabilities</b>								
<b>Financial liabilities</b>								
Borrowings	473.61	(8.71)	(5.91)	458.99	1,141.53	(556.73)	(7.78)	577.02
Lease liabilities	-	-	95.14	95.14	-	-	177.40	177.40
Other financial liabilities	11.64	(11.64)	-	-	-	-	-	-
Provisions	771.44	(169.45)	-	601.99	467.45	(287.76)	-	179.69
Deferred tax liabilities (net)	-	13.74	-	13.74	47.92	-	(47.92)	-
<b>Total non-current liabilities</b>	<b>1,256.69</b>	<b>(176.06)</b>	<b>89.23</b>	<b>1,169.86</b>	<b>1,656.90</b>	<b>(644.49)</b>	<b>121.70</b>	<b>934.11</b>
<b>Current liabilities</b>								
<b>Financial liabilities</b>								
Borrowings	1,759.01	8.60	(0.70)	1,766.93	521.47	616.78	(3.58)	1,134.67
Lease liabilities	-	-	82.25	82.25	-	36.12	70.69	106.81
Trade payables	-	-	-	-	-	-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises	-	166.18	-	166.18	-	96.56	-	96.56
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	382.04	144.82	-	526.88	321.66	(5.98)	-	315.63
Other financial liabilities	15.02	336.51	(7.52)	344.01	-	114.27	(7.51)	106.76
Other current liabilities	429.37	(359.66)	-	69.71	96.96	(18.59)	-	78.37
Provisions	966.77	(843.72)	-	123.05	113.94	(64.08)	-	49.86
Current tax liabilities (net)	-	200.92	-	200.92	-	98.52	-	98.52
<b>Total current liabilities</b>	<b>3,552.25</b>	<b>(346.35)</b>	<b>74.03</b>	<b>3,279.93</b>	<b>1,054.03</b>	<b>673.60</b>	<b>59.60</b>	<b>1,987.23</b>
<b>Total liabilities</b>	<b>4,808.94</b>	<b>(522.41)</b>	<b>163.26</b>	<b>4,449.79</b>	<b>2,710.93</b>	<b>29.11</b>	<b>181.30</b>	<b>2,921.34</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,163.80</b>	<b>(995.50)</b>	<b>165.79</b>	<b>9,334.09</b>	<b>5,429.44</b>	<b>(18.55)</b>	<b>276.21</b>	<b>5,687.10</b>

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

36.1 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		5,250.09		2,613.69
<b>Adjustments:</b>				
Unwinding of discount on security deposits at amortised cost	(b)	2.51		0.86
Remeasurements of post-employment benefit obligations	(d)	226.06		8.97
Interest expense on Lease Liabilities	(a)	(48.65)		(28.03)
Depreciation on Right-of-use assets	(a)	(226.89)		(107.10)
Unwinding of security deposits	(b)	1.42		0.65
Gain on initial recognition of financial liability	(f)	5.77		5.77
Reversal of lease equalisation reserve	(a)	7.52		7.52
Impact to retained earnings on initial recognition of lease	(a)	(23.91)		(23.91)
Rent concession due to COVID	(a)	15.31		15.31
Adjustment to prepaid loan processing charges	(a)	2.69		2.20
Effect of Lease payments during the year	(a)	241.44		114.00
Expected credit loss allowance	(c)	(20.80)		(14.62)
Amortisation of interest on debentures	(f)	(5.07)		(2.41)
Remeasurements of post-employment defined benefit plans through other comprehensive income	(d)	(228.06)		(8.97)
Deferred tax adjustment	(e)	51.19		18.22
Other adjustments	(h)	(472.55)		59.58
<b>Total adjustment to equity</b>		<b>(470.02)</b>		<b>47.84</b>
<b>Total equity under Ind AS</b>		<b>4,780.07</b>		<b>2,661.53</b>



36 First time adoption of Ind AS (Continued)

Effect of Ind AS adoption in the statement of profit and loss for the year ended March 31, 2022:

Note	Year ended March 31, 2023			
	Indian GAAP	Other adjustments	Effect of transition to Ind AS	Ind AS
<b>Income</b>				
Revenue from operations	9,861.55	(444.89)	-	9,416.66
Other income	133.68	(111.50)	54.22	76.40
<b>Total Income</b>	<b>9,995.23</b>	<b>(556.39)</b>	<b>54.22</b>	<b>9,493.06</b>
<b>Expenses</b>				
Cost of materials consumed	3,944.19	(969.06)	-	2,975.13
Purchases of stock-in-trade	-	104.90	-	104.90
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(985.67)	(195.93)	-	(1,181.60)
Subcontractors charges	-	741.34	-	741.34
Employee benefits expense	2,415.04	(635.15)	(219.09)	1,560.80
Finance costs	111.16	2.85	74.26	188.27
Depreciation and amortisation expense	275.35	13.08	119.59	408.02
Other expenses	1,097.30	783.47	(120.94)	1,759.83
<b>Total expenses</b>	<b>6,857.37</b>	<b>(154.50)</b>	<b>(146.18)</b>	<b>6,556.69</b>
<b>Profit before tax</b>	<b>3,137.86</b>	<b>(401.89)</b>	<b>200.40</b>	<b>2,936.37</b>
<b>Tax expense</b>				
(1) Current tax	667.43	(89.98)	-	577.45
(3) Deferred tax	(183.71)	299.61	(38.16)	77.74
	483.72	209.63	(38.16)	655.19
<b>Profit for the year</b>	<b>2,654.14</b>	<b>(611.52)</b>	<b>238.56</b>	<b>2,281.18</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Remeasurements of post-employment defined benefit plans	-	-	(219.10)	(219.10)
Income tax effect on above	-	61.65	(5.19)	56.46
<b>Other comprehensive income for the year, net of income tax</b>	<b>-</b>	<b>61.65</b>	<b>(224.29)</b>	<b>(162.64)</b>
<b>Total comprehensive income for the year</b>	<b>2,654.14</b>	<b>(549.87)</b>	<b>14.27</b>	<b>2,118.54</b>

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

Particulars	Notes	Year ended March 31, 2022
Profit as per Indian GAAP		2,654.14
<b>Adjustments:</b>		
Unwinding of discount on security deposits at amortised cost	(b)	2.42
Interest expense on Lease Liabilities	(a)	(20.63)
Depreciation on Right-of-use assets	(a)	(119.59)
Amortisation of prepaid loan processing charges through EIR method	(f)	0.49
Amortisation of interest on debentures	(f)	(2.65)
Remeasurements of post-employment defined benefit plans	(d)	219.09
Expected credit loss	(c)	(6.18)
Effect of Lease payments during the year	(a)	127.44
Remeasurements of post-employment defined benefit plans through other comprehensive income	(d)	(219.09)
Deferred tax adjustment	(e)	32.97
Other Adjustments	(h)	(549.87)
<b>Total comprehensive income under Ind AS</b>		<b>2,118.54</b>



**Note:**

**(a) Lease liability and ROU assets**

Under previous IGAAP, Leases are classified as operating leases and lease rentals under operating leases are recognised in the statement of profit or loss on a straight line basis over lease term.

**Group as a Lessee**

As per Ind AS 116, Leases in which substantially all the risks and rewards of ownership are transferred to the lessee are classified as finance 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 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 Group has adopted modified retrospective approach on the date of transition in arriving at the ROU asset and lease liability.

**(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 Group 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 Group had recognised provision on trade receivables based on the expectation of the Group. Under Ind AS, the Group has to provide loss allowance on receivables based on the Expected Credit Loss (ECL) model which is measured following the "simplified approach". The Group 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. The Group had recognised additional provision by offsetting the provision created under IGAAP in other equity on the date of transition i.e., April 1, 2022 and reversed excess provision to the profit and loss for the year ended March 31, 2023.

**(d) Remeasurements of post-employment benefit obligations**

Both under Indian GAAP and Ind AS, the Group 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, are charged to the statement of profit and loss. Under Ind AS, re-measurements [comprising of actuarial gains and losses] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

**(e) Deferred Tax**

Under Indian GAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Under Ind AS, accounting of deferred taxes is done using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base and Deferred tax has been recognised on the account of adjustments made due to application of Ind AS. These Adjustments have resulted in increase in other equity with a corresponding impact in the statement of profit and loss for the year ended March 31, 2023.

**(f) 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 Group 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.

**(g) Material regrouping and adjustments**

Appropriate regroupings and other adjustments have been made in the Consolidated Balance Sheet, Consolidated Statement of Profit & loss, Consolidated Statement of Cashflows, wherever required, by reclassification and adjustments of corresponding items of incomes, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per Ind AS Consolidated Financial Statements of the Group 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 Group 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 Group has rectified these errors by restating the transition date balance sheet as at April 1, 2022. Refer note 36.1



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37 Earnings per equity share

	Year ended March 31, 2024	Year ended March 31, 2023
(a) Earnings used in calculating earnings per equity share		
Basic earnings per share		
Profit attributable to equity shareholders as per statement of profit and loss	5,813.31	2,281.18
Diluted earnings per share		
Profit attributable to equity shareholders as per statement of profit and loss	5,813.31	2,281.18
(b) Weighted average number of shares used as denominator		
Equity shares outstanding as at April 1	1,04,230	1,04,230
Add: Increase in shares due to conversion of debentures	408	408
Add: Impact of share split as on December 23, 2023 (Note 18.1(a))	19,88,122	19,88,122
Add: Bonus shares issued on December 28, 2023 (Note 18.1(b))	4,18,55,200	4,18,55,200
Weighted average number of equity shares outstanding during the year for basic EPS	4,39,47,960	4,39,47,960
Adjustments for calculation of diluted EPS:		
Add: Convertible debentures	136	136
Weighted average number of equity shares adjusted for the effect of dilution	4,39,48,096	4,39,48,096
(c) Information regarding the classification of securities		
Convertible debentures		
The Group has issued 30,000 convertible debentures issued during the financial year ended March 31, 2019 are considered to be potential equity shares of 344 shares and have been included in the determination of diluted earnings per share from their date of issue.		
(d) EPS		
Basic earnings per equity share (INR)	13.23	5.19
Diluted earnings per equity share (INR)	13.23	5.19

38 Employee benefits

(a) Defined contribution plans

Contributions were made to provident fund and Employee State Insurance in India for the Company as per the regulations. These contributions 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 constructive 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	51.20	38.39
Employer's contribution to Employee State Insurance	2.29	2.44

(b) Defined benefit plan- Gratuity

Information regarding gratuity plan

The Group 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	23.06	15.23	9.53
Interest cost	1.65	1.10	0.67
Benefits paid during the year	(2.17)	(1.18)	-
Current service cost	20.66	10.35	6.26
Included in profit and loss (Note 31)	20.14	10.27	6.93
Remeasurement loss/(gain)			
Actuarial loss/(gain) arising from:			
Changes in demographic assumptions	-	-	-
Changes in financial assumptions	2.19	(0.03)	(0.72)
Experience adjustments	8.86	(1.54)	(0.51)
Included in other comprehensive income	11.05	(1.57)	(1.23)
Balance as at the end of the year	54.25	23.93	15.23
Classified as:			
Non-current	-	23.22	14.66
Current	24.32	0.71	0.57
	24.32	23.93	15.23





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Reconciliation of Planned Assets

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Opening balance	-	-	-
Employers contribution	29.61	-	-
Interest on plan assets	0.69	-	-
Administration expenses	-	-	-
Remeasurements due to	-	-	-
- Actuarial return on plan assets less interest on plan assets	(0.51)	-	-
Benefits paid	-	-	-
Closing Balance	29.93	-	-
The net liability disclosed above relates to funded and unfunded plans are as follows:			
Present value of defined benefit obligation	54.25	-	-
Fair value of plan assets	29.93	-	-
Deficit of funded plans	24.32	-	-
Unfunded plans	-	23.93	15.23
Deficit before asset ceiling	24.32	23.93	15.23

(c) Actuarial assumptions

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Discount rate (per annum)	7.13%	7.53%	7.53%
Rate of future increase in salary	12.00%	12.00%	12.00%
Expected return on planned assets	7.53%	0.00%	0.00%
Attrition rate			
Employee served for 4 years and below	20.00%	20.00%	20.00%
Employee served 5 years and above	5.00%	5.00%	5.00%

The weighted-average duration of the defined benefit obligation as at March 31, 2024 was 13.84 - 14.35 years (March 31, 2023: 14.27 - 15.04 years, April 1, 2022: 14.75 - 14.80 years) for gratuity plan.

(d) 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%

(e) Sensitivity analysis

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Discount rate			
1% increase	0.16	(2.55)	(1.65)
1% decrease	7.47	3.11	2.00
Future increase in salary			
1% increase	6.85	2.85	1.84
1% decrease	(5.72)	(2.40)	(1.54)
Attrition rate			
1% increase	(3.10)	(1.32)	(0.84)
1% decrease	3.60	1.53	0.97

(f) Maturity analysis

	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Within one year	2.78	0.71	0.57
Between one and two years	2.06	0.78	0.48
Between two and three years	1.63	0.47	0.50
Between three and four years	1.31	0.34	0.33
Between four and five years	1.17	0.29	0.27
Between five and ten years	4.67	1.28	0.82
Later than ten years	40.63	19.17	12.25

(g) Defined benefit plan- Longevity

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	583.02	166.75	51.85
Interest cost	-	12.59	3.90
Benefits paid during the year	-	-	-
Current service cost	-	182.13	110.34
Actuarial (Gains)/Loss	-	221.55	0.66
Incremental obligation on termination*	766.12	-	-
Balance as at the end of the year	1,349.14	583.02	166.75

\* Pursuant to board resolution dated March 10, 2024, Company terminated longevity 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)	0.00%	7.52%/7.57%	7.52%/7.51%
Expected return on Assets	0.00%	0.00%	0.00%
Rate of future increase in salary	0.00%	12.00%	12.00%
Attrition rate	0.00%	5.00%	5.00%
Classified as:			
Non-current	-	578.77	165.03
Current	1,349.14	4.25	1.72



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**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:

**39.1 Names of related parties and description of relationship:**

	Country of Incorporation and principal place of	Principal activities	Proportion of ownership interest		
			As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Subsidiaries</b>					
Innoimech Aerospace Toolings Private Limited	India	Manufacture of aerospace tools	99.99%	99.99%	99.90%
Unimech Healthcare Private Limited (Upto December 18, 2023)	India	Trading of healthcare products	-	99.99%	-

**Key Management Personnel (KMP)**

(Directors)

Mr. Anil Kumar Puttan

Mr. Ramakrishna Kamrajala

Mr. Mani Puttan

Mr. Preetham Shrinoga

Mr. Rajanikanth Balaraman

**Relatives of KMP**

Mrs. Savitha K Nayar

Mrs. Rashmi Anil Kumar Puttan

Mrs. Shruithi C S

Mrs. Mamatha Kumar

Mr. P Sathyanarayana

Mrs. Sulochana T

Miss. Dakshayini

Miss. Prema K S

Mrs. Meenakshi K K

**Individuals having significant interest**

Mrs. Rashmi Anil Kumar Puttan



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

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Key Management Personnel		
(a) Employee Benefit expenses		
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	49.80
Mr. Ramakrishna Kamojhal	176.15	108.75
(b) Relatives of KMP		
Mrs. Rashmi Anil Kumar Puttan	58.70	49.80
Mrs. Savitha K Nayar	63.45	49.80
Mrs. Shruthi C S	61.44	19.80
Mrs. Namatha Kumar	69.33	17.70
Mr. P Sathyanarayana	-	19.80
Mrs. Sulochana T	-	19.80
Miss. Dakshayani	12.29	-
Mrs. Neenakshi 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 Kamojhal	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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39.3 Outstanding balances in relation to related parties

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
<b>Key Management Personnel</b>			
(a) Advances receivable			
Mr. Anil Kumar Puttan	-	5.00	5.00
(b) Employee benefits payable			
Mr. Anil Kumar Puttan	-	-	4.38
Mr. Mani Puttan	-	9.05	5.13
Mr. Preetham Shimoga	-	8.59	5.63
Mr. Ramakrishna Kamajhala	-	60.96	12.69
Mr. Rajanikanth Balaraman	-	20.52	0.05
(c) Relatives of Directors			
Mrs. Rashmi Anil Kumar Puttan	-	24.11	4.01
Mrs. Mamatha Kumar	-	15.93	-
Mrs. Meenakshi K K	-	8.24	-
Mrs. Savitha K Nayar	-	25.02	0.51
Mr. P Sathyanarayana	-	17.82	-
Mrs. Sulochana T	-	17.82	-
<b>Other Payables</b>			
Mr. Anil Kumar Puttan	-	0.46	0.04
Mr. Preetham Shimoga	-	0.41	-
Mr. Ramakrishna Kamajhala	-	-	0.02

39.4 Terms and conditions of transactions with related parties

Transactions with related parties were made in the ordinary course of business. Outstanding balances at the year-end with related parties are unsecured and interest free to be settled in cash.

40 Financial risk management objectives and policies

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

40.2 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 Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk) and interest rate risk. Thus the Group'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 Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed borrowings amounting to Nil (March 31, 2022: INR 151.43 lakhs, April 1, 2021: INR 122.57 lakhs) and variable rate borrowings amounting to INR 2,885.50 lakhs (March 31, 2022: INR 2,073.49 lakhs, April 1, 2021: INR 1,486.12 lakhs).

Interest rate sensitivity

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

Particulars	As at	Closing balance	Impact on profit before tax	
			1% Increase	1% Decrease
Variable rate borrowings	March 31, 2024	2,885.50	28.85	(28.85)
Variable rate borrowings	March 31, 2023	2,073.49	20.73	(20.73)
Variable rate borrowings	April 1, 2022	1,486.12	14.86	(14.86)





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(b) Foreign currency risk

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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency).

Foreign currency sensitivity

The Group'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	52.83	4,402.71	33.96	2,790.14	8.05	605.78
USD payable	(21.21)	(1,766.49)	(550.43)	(45,218.06)	(14.55)	(1,098.81)
GBP receivable*	-	-	-	-	0.07	6.96
GBP payable*	-	-	4.13	369.14	0.68	56.12
Euro payable	(0.02)	(1.43)	(2.97)	(265.68)	(3.63)	(305.22)
Euro Receivable	1.96	176.57	-	-	-	-

\* GBP receivable as at April 1, 2021 and GBP payable as at March 31, 2022 is below the rounding off norm adopted by the Group.

	Impact on profit before tax		
	As at March 31, 2024	As at March 31, 2023	As at April 01, 2022
USD sensitivity			
INR/USD - increase by 1%	26.38	(424.28)	(4.94)
INR/USD - decrease by 1%	(26.36)	424.28	4.94
GBP sensitivity			
INR/GBP - increase by 1%	-	3.69	0.63
INR/GBP - decrease by 1%	-	(3.69)	(0.63)
EURO sensitivity			
INR/EURO - increase by 1%	1.75	(2.66)	(3.05)
INR/EURO - decrease by 1%	(1.75)	2.66	3.05

40.3 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group'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 Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Group 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 Group 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 Group does not foresee any credit risks on other financial assets.

To manage the credit risks arising from customers, the Group 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	20.80	14.62	5.10
Changes in loss allowance:			
Loss allowance based on expected credit loss	14.67	6.18	9.33
Closing balance	35.47	20.80	14.62

The movement in provision for liquidated damages is as follows :

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Opening balance	86.16	15.17	-
Changes during the year	86.31	70.99	15.17
Closing balance	172.47	86.16	15.17



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40.4 Liquidity risk

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

(a) 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		Notes	Carrying amount	Contractual cash flows			Total
Particulars				0-1 year	1-3 years	3-5 years	
Current borrowings	21		1,633.74	1,633.74	-	-	1,633.74
Long-term borrowings	18		1,251.76	-	1,058.80	196.00	1,254.80
Lease liabilities	5.2		104.09	104.09	-	-	104.09
Trade payables	22		1,352.28	1,352.28	-	-	1,352.28
Other financial liabilities	19		336.72	336.72	-	-	336.72
Total			4,678.59	3,426.83	1,058.80	196.00	4,681.63

As at March 31, 2023		Notes	Carrying amount	Contractual cash flows			Total
Particulars				0-1 year	1-3 years	3-5 years	
Current borrowings	21		1,766.93	1,766.93	-	-	1,766.93
Long-term borrowings	18		458.99	-	452.81	25.80	478.61
Lease liabilities	5.2		177.39	177.39	-	-	177.39
Trade payables	22		693.06	693.06	-	-	693.06
Other financial liabilities	19		344.01	344.01	-	-	344.01
Total			3,440.38	2,981.39	452.81	25.80	3,460.00

As at April 1, 2022		Notes	Carrying amount	Contractual cash flows			Total
Particulars				0-1 year	1-3 years	3-5 years	
Current borrowings	21		1,134.67	1,134.67	-	-	1,134.67
Long-term borrowings	18		577.02	-	584.20	-	584.20
Lease liabilities	5.2		284.21	284.21	-	-	284.21
Trade payables	22		412.24	412.24	-	-	412.24
Other financial liabilities	19		106.76	106.76	-	-	106.76
Total			2,514.90	1,937.88	584.20	-	2,522.08



Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

41 Fair value measurements

41.1 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
<b>Financial assets</b>				
Trade receivables	10	4,684.28	3,213.01	751.49
Cash and cash equivalents	11	717.77	187.56	344.91
Bank balances other than cash and cash equivalents	12	46.14	218.56	402.88
Other financial assets (non-current)	7	87.81	68.46	308.01
Other financial assets (current)	13	2,390.39	599.63	175.76
<b>Total financial assets</b>		<b>7,926.39</b>	<b>4,287.22</b>	<b>1,983.05</b>
<b>Financial liabilities*</b>				
Borrowings (non-current)	18	1,251.76	458.99	577.02
Borrowings (current)	21	1,633.74	1,766.93	1,134.67
Trade payables	22	1,352.28	693.06	412.24
Other financial liabilities (non-current)	19	-	-	-
Other financial liabilities (current)	19	336.72	344.01	106.76
<b>Total financial liabilities</b>		<b>4,574.50</b>	<b>3,262.99</b>	<b>2,230.69</b>

\*Excluding lease liabilities

41.2 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).

41.2 Methods and assumptions

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



**42 Other regulatory information**

**42.1 Title deeds of immovable properties not held in name of the Group**

The Group does not have any immovable properties whose title deeds are not held in the name of the Group

**42.2 Details of benami property held**

The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.

**42.3 Borrowings secured against current assets**

The Group has borrowings from banks or financial institutions on the basis of security of current assets.

**42.4 Wilful defaulter**

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

**42.5 Relationship with struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.**

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

**42.6 Registration of charges or satisfaction with Registrar of Companies**

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**42.7 Compliance with number of layers of companies**

The Group 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.

**42.8 Compliance with approved scheme(s) of arrangements**

The Group has not entered into any scheme(s) of arrangement which has an accounting impact on current or previous financial year.

**42.9 Utilisation of borrowed funds and share premium:**

No funds have been advanced or loaned or invested by the Group 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 Group (ultimate beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Group 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 Group 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.

**42.10 Undisclosed income**

The Group 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.

**42.11 Details of crypto currency or virtual currency**

The Group has not traded or invested in crypto currency or virtual currency during the current or previous financial year.

**42.12 Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such borrowings were taken.





Unimech Aerospace and Manufacturing Private Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

43 Corporate Social Responsibility

Particulars	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Amount required to be spent by the respective entities in the Group during the year	27.48	-	17.77
Amount of expenditure incurred	27.48	17.77	-
Shortfall at the end of the year	-	-	17.77
Total of previous years shortfall	-	-	17.77
Reason for Shortfall	-	-	Refer note below
Nature of CSR activities	Apprenticeship Training under Apprentices Act, 1961	Plantation and skill-development	Plantation and skill-development

Note - The Company was not able to transfer the accumulated funds to CSR bank account till the previous year due to closure of Axis bank account. All the accumulated funds amounting to INR 0.25 lakhs (till March 31, 2021) had been transferred to "Axis Bank - 919020075634644" on March 28, 2022. Further, current year provision amounting to INR 17.77 lakhs had been created on March 31, 2022 and yet to transfer to the specified bank account. However, whole amount stands unspent till March 31, 2022 and estimated to spend all the monies in bank by September 30, 2022.



44 Statutory Group Information

Balance as at March 31, 2024

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Unimech Aerospace and Manufacturing Private Limited	24.38%	2,647.52	4.17%	242.50	54.67 %	(4.74)	4.10 %	237.76
Subsidiaries								
Indian								
Innimech Aerospace Toolings Private Limited	77.23%	8,386.36	97.00%	5,639.14	45.33 %	(3.93)	97.08%	5,635.21
Unimech Healthcare Private Limited	-	-	-1.18%	(68.33)	-	-	-1.18%	(68.33)
Less: Elimination entries	-1.61%	(174.75)	0.00%	0.00	-	-	-	-
Total	75.62%	8,211.61	95.83%	5,570.81	45.33%	(3.93)	95.90%	5,566.88
Total	100.00%	10,859.13	100.00%	5,813.31	100.00%	(8.67)	100.00%	5,804.64

Balance as at March 31, 2023

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Unimech Aerospace and Manufacturing Private Limited	48.72%	2,379.86	9.33%	212.74	-12.68%	20.62	11.02%	233.36
Subsidiaries								
Indian								
Innimech Aerospace Toolings Private Limited	58.08%	2,836.67	93.87%	2,141.32	112.69%	(183.27)	92.42%	1,958.05
Unimech Healthcare Private Limited	-1.47%	(71.85)	-3.20%	(72.85)	-	-	-3.44%	(72.85)
Less: Elimination entries	-5.33%	(260.38)	0.00%	(0.03)	-0.01%	0.01	0.00%	(0.02)
Total	51.28%	2,504.44	90.67%	2,068.44	112.68%	(183.26)	88.98%	1,885.18
Total	100.00%	4,884.30	100.00%	2,281.18	100.00%	(162.64)	100.00%	2,118.54



Unimech Aerospace and Manufacturing Private Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

45 Capital management

The Group'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 Group sets the amount of capital it requires in proportion to risk. The Group 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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group 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)	10,859.13	4,884.30	2,765.76
Total debt		2,989.59	2,403.31	1,995.90
Less: cash and cash equivalents		(717.77)	(187.56)	(344.91)
Net debt	(ii)	2,271.82	2,215.75	1,650.99
Debt-to-capital ratio	(ii)/(i)	0.21	0.45	0.60

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

46 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.

47 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
<b>Non-current assets</b>			
Land (right-of-use assets)	542.48	548.21	542.48
Factory building	1,610.91	878.22	858.27
Plant and machinery	2,386.57	1,148.03	633.47
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	-	-
<b>Total non-current assets hypothecated as security</b>	<b>4,699.44</b>	<b>2,633.22</b>	<b>2,085.11</b>
<b>Current assets</b>			
Inventories	1,973.23	1,577.22	472.35
Loans	-	-	-
Trade receivables	4,684.28	3,213.01	751.49
Cash and cash equivalents	717.77	187.56	344.91
Bank balances other than cash and cash equivalents	46.14	218.56	402.88
Other financial assets	2,390.39	599.63	175.76
Current tax assets (net)	395.78	-	21.81
Other current assets	1,158.25	480.79	358.72
<b>Total current assets hypothecated as security</b>	<b>11,365.84</b>	<b>6,276.77</b>	<b>2,527.92</b>
<b>Total assets hypothecated as security</b>	<b>16,065.28</b>	<b>8,909.99</b>	<b>4,613.03</b>



Unimech Aerospace and Manufacturing Private Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

48 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	564.41	9.18
	<b>804.35</b>	<b>564.41</b>	<b>9.18</b>

49 Segment Reporting

- (a) The Group'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 to note 25.1 for breakup of the Group's revenue by primary geographical market.
- (c) During the year ended March 31, 2024, revenue from operations of three customers (March 31, 2023: three) customers represented approximately 37.79% (March 31, 2022: 46.55%), 29.05% (March 31, 2022: 11.30 %) and 21.01% (March 31, 2022: 12.14 %) of the Group's revenue from operations.

50 Subsequent events

- i) The Holding Company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on March 04, 2024 and Consequently the name of the Holding Company has changed to Unimech Aerospace and Manufacturing Limited pursuant to a fresh certificate of incorporation issued by ROC on June 21, 2024.
- ii) The Holding Company has incorporated a new wholly owned subsidiary in the United States of America by the name of Unimech Global Manufacturing Solutions Inc for which the certificate of incorporation was issued on May 29, 2024
- iii) The Holding Company has constituted an audit committee on July 3, 2024 as mandated under the Provisions of the Companies Act, 2013 and relevant rules thereunder.

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  
Unimech Aerospace and Manufacturing Limited  
(Formerly Unimech Aerospace and Manufacturing Private Limited)  
CIN: U29200KA2016PTC095712

Ramakrishna Kamojhala  
Director and CFO  
DIN: 07004517  
Place: Bengaluru  
Date: July 3, 2024

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

Krishnappayya Desai  
Company Secretary  
Membership No.: A61281  
Place: Bengaluru  
Date: July 3, 2024







## UNIMECH AEROSPACE AND MANUFACTURING LIMITED

538, 539, 542 & 543, 7th Main of Peenya IV Phase Industrial Area, Yeshwanthpur Hobli, Bangalore, Bangalore North  
Taluk, Karnataka, India, 560058  
ISO 9001-2015 & AS 9100 Rev D Certified  
GSTIN: 29AABCU9719Q1ZC | CIN: U30305KA2016PLC095712

### NOTICE OF THE EIGHTH ANNUAL GENERAL MEETING

Shorter Notice is hereby given that the (8th) Eighth Annual General Meeting of the Members of Unimech Aerospace and Manufacturing Limited will be held 03 July 2024 at 04:00 PM at Taj Yeshwanthpur, 2275, Tumkur Rd, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru, Karnataka 560 022, to transact the following business.

#### ORDINARY BUSINESS:

##### ITEM NO 1:

**TO RECEIVE, CONSIDER AND ADOPT THE AUDITED STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024, TOGETHER WITH THE REPORT OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.**

##### ITEM NO 2:

**TO APPOINT A DIRECTOR IN PLACE OF MR. RAMAKRISHNA KAMOJHALA, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

##### ITEM NO 3:

**TO APPOINT STATUTORY AUDITORS AND AUTHORIZE THE BOARD OF DIRECTORS TO FIX THEIR REMUNERATION:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), M/s. MSKA, Chartered Accountants, be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years to hold office from the conclusion of this 08<sup>th</sup> Annual General Meeting until the conclusion of the 13<sup>th</sup> Annual General Meeting of the Company to be held in the year 2029 at such remuneration (exclusive of applicable taxes and reimbursement of out of pocket expenses) as shall be fixed by the Board of Directors with an authority to revise mutually during the tenure of five years.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts deeds and things as may be necessary to give effect to this resolution.”



## **SPECIAL BUSINESS**

### **APPOINTMENT OF INDEPENDENT DIRECTORS**

#### **ITEM NO 4:**

#### **APPOINTMENT OF MR. MUKUND SRINATH (DIN: 00025017) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

**To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the recommendation of the Board and in compliance with the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof for the time being), read with the rules made thereunder, each as amended (collectively the “**Companies Act**”), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and other applicable provisions of law, if any, and pursuant to the provisions of the Articles of Association of the Company, Mr. Mukund Srinath (Director Identification Number (DIN): 00025017), who is not disqualified under Section 164(2) of the Companies Act, possesses relevant expertise and experience, who has provided his consent in writing to act as an independent director of the Company, if appointed, and has submitted a declaration that he the criteria for appointment as an independent director under the Companies Act and the SEBI Listing Regulations, and is eligible for appointment, be and is hereby appointed as an additional independent director on the Board, who shall hold office for a term of 5 years commencing on 03 July, 2024, and shall not be liable to retire by rotation. he shall be entitled to receive sitting fees for attending meetings of the Board or any committees thereof.

**RESOLVED FURTHER THAT** the Company do note the consent letter received from Mr. Mukund Srinath his consent to act as an independent director of the Company.

**RESOLVED FURTHER THAT** Mr. Anil Kumar Puttan – Chairman & Managing Director, Mr. Ramakrishna Kamajhala – Whole-time Director (Finance) & Chief Financial Officer, Mr. Krishnappayya Desai – Company Secretary of the Company be and are hereby severally authorised to do all the acts, deeds and things which are necessary to the appointment of Mr. Mukund Srinath as an Independent Director of the Company.

**RESOLVED FURTHER THAT** certified copies of this resolution be provided to those concerned under the hands of a Director or the Company Secretary and Compliance Officer of the Company wherever required.”





#### **ITEM NO 5:**

##### **APPOINTMENT OF MR. ASHOK TANDON (DIN: 06534280) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

**To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the recommendation of the Board and in compliance with the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof for the time being), read with the rules made thereunder, each as amended (collectively the “**Companies Act**”), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and other applicable provisions of law, if any, and pursuant to the provisions of the Articles of Association of the Company, Mr. Ashok Tandon (Director Identification Number (DIN): 06534280), who is not disqualified under Section 164(2) of the Companies Act, possesses relevant expertise and experience, who has provided his consent in writing to act as an independent director of the Company, if appointed, and has submitted a declaration that he the criteria for appointment as an independent director under the Companies Act and the SEBI Listing Regulations, and is eligible for appointment, be and is hereby appointed as an additional independent director on the Board, who shall hold office for a term of 5 years commencing on 03 July, 2024, and shall not be liable to retire by rotation. he shall be entitled to receive sitting fees for attending meetings of the Board or any committees thereof.

**RESOLVED FURTHER THAT** the Company do note the consent letter received from Mr. Ashok Tandon his consent to act as an independent director of the Company.

**RESOLVED FURTHER THAT** Mr. Anil Kumar Puttan – Chairman & Managing Director, Mr. Ramakrishna Kamohala – Whole-time Director (Finance) & Chief Financial Officer, Mr. Krishnappayya Desai – Company Secretary of the Company be and are hereby severally authorised to do all the acts, deeds and things which are necessary to the appointment of Mr. Mukund Srinath as an Independent Director of the Company.

**RESOLVED FURTHER THAT** certified copies of this resolution be provided to those concerned under the hands of a Director or the Company Secretary and Compliance Officer of the Company wherever required.”

#### **ITEM NO 6:**

##### **APPOINTMENT OF MR. PAVAN KRISHNAMURTHY (DIN: 00579613) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

**To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** pursuant to the recommendation of the Board and in compliance with the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof for the time being), read with the rules made thereunder, each as amended (collectively the “**Companies Act**”), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and other applicable provisions of law, if any, and pursuant to the provisions of the





Articles of Association of the Company, Mr. Pavan Krishnamurthy (Director Identification Number (DIN): 00579613), who is not disqualified under Section 164(2) of the Companies Act, possesses relevant expertise and experience, who has provided his consent in writing to act as an independent director of the Company, if appointed, and has submitted a declaration that he the criteria for appointment as an independent director under the Companies Act and the SEBI Listing Regulations, and is eligible for appointment, be and is hereby appointed as an additional independent director on the Board, who shall hold office for a term of 5 years commencing on 03 July, 2024, and shall not be liable to retire by rotation. he shall be entitled to receive sitting fees for attending meetings of the Board or any committees thereof.

**RESOLVED FURTHER THAT** the Company do note the consent letter received from Mr. Pavan Krishnamurthy his consent to act as an independent director of the Company.

**RESOLVED FURTHER THAT** Mr. Anil Kumar Puttan – Chairman & Managing Director, Mr. Ramakrishna Kamohala – Whole-time Director (Finance) & Chief Financial Officer, Mr. Krishnappayya Desai – Company Secretary of the Company be and are hereby severally authorised to do all the acts, deeds and things which are necessary to the appointment of Mr. Pavan Krishnamurthy as an Independent Director of the Company.

**RESOLVED FURTHER THAT** certified copies of this resolution be provided to those concerned under the hands of a Director or the Company Secretary and Compliance Officer of the Company wherever required.”

#### **ITEM NO 7:**

#### **APPOINTMENT OF MRS. VIDYA RAJARAO (DIN: 07878459) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

**To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the recommendation of the Board and in compliance with the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof for the time being), read with the rules made thereunder, each as amended (collectively the “**Companies Act**”), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and other applicable provisions of law, if any, and pursuant to the provisions of the Articles of Association of the Company, Mrs. Vidya Rajrao (Director Identification Number (DIN): 07878459), who is not disqualified under Section 164(2) of the Companies Act, possesses relevant expertise and experience, who has provided her consent in writing to act as an independent director of the Company, if appointed, and has submitted a declaration that she the criteria for appointment as an independent director under the Companies Act and the SEBI Listing Regulations, and is eligible for appointment, be and is hereby appointed as an additional independent director on the Board, who shall hold office for a term of 5 years commencing on 03 July, 2024, and shall not be liable to retire by rotation. she shall be entitled to receive sitting fees for attending meetings of the Board or any committees thereof.





**RESOLVED FURTHER THAT** the Company do note the consent letter received from Mrs. Vidya Rajarao her consent to act as an independent director of the Company.

**RESOLVED FURTHER THAT** Mr. Anil Kumar Puttan – Chairman & Managing Director, Mr. Ramakrishna Kamajhala – Whole-time Director (Finance) & Chief Financial Officer, Mr. Krishnappayya Desai – Company Secretary of the Company be and are hereby severally authorised to do all the acts, deeds and things which are necessary to the appointment of Mr. Mukund Srinath as an Independent Director of the Company.

**RESOLVED FURTHER THAT** certified copies of this resolution be provided to those concerned under the hands of a Director or the Company Secretary and Compliance Officer of the Company wherever required.”

**ITEM NO 8:**

**APPOINTMENT OF MR. SRIDHAR RANGANATHAN (DIN: 07637826) AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

**To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:**

“**RESOLVED THAT** pursuant to the recommendation of the Board and in compliance with the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (including any amendments, modifications or re-enactment thereof for the time being), read with the rules made thereunder, each as amended (collectively the “**Companies Act**”), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI Listing Regulations**”) and other applicable provisions of law, if any, and pursuant to the provisions of the Articles of Association of the Company, Mr. Sridhar Ranganathan (Director Identification Number (DIN): 07637826), who is not disqualified under Section 164(2) of the Companies Act, possesses relevant expertise and experience, who has provided his consent in writing to act as an independent director of the Company, if appointed, and has submitted a declaration that he the criteria for appointment as an independent director under the Companies Act and the SEBI Listing Regulations, and is eligible for appointment, be and is hereby appointed as an additional independent director on the Board, who shall hold office for a term of 5 years commencing on 03 July, 2024, and shall not be liable to retire by rotation. he shall be entitled to receive sitting fees for attending meetings of the Board or any committees thereof.

**RESOLVED FURTHER THAT** the Company do note the consent letter received from Mr. Sridhar Ranganathan his consent to act as an independent director of the Company.

**RESOLVED FURTHER THAT** Mr. Anil Kumar Puttan – Chairman & Managing Director, Mr. Ramakrishna Kamajhala – Whole-time Director (Finance) & Chief Financial Officer, Mr. Krishnappayya Desai – Company Secretary of the Company be and are hereby severally authorised to do all the acts, deeds and things which are necessary to the appointment of Mr. Mukund Srinath as an Independent Director of the Company.

**RESOLVED FURTHER THAT** certified copies of this resolution be provided to those concerned under the hands of a Director or the Company Secretary and Compliance Officer of the Company wherever required.”





#### ITEM NO 9:

#### TO APPROVE THE ISSUANCE OF EQUITY SHARES ON PREFERENTIAL BASIS TO SELECT GROUP OF PERSONS:

**“RESOLVED THAT** pursuant to the provisions of Section 23(1)(b), Section 42 and Section 62(1)(c) and other applicable provisions of the Companies Act, 2013 (“Act”) read with rules made thereto (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with SEBI Regulations as and when applicable, the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) and rules and regulations framed there under as amended and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”), Reserve Bank of India (“RBI”), and/or any other competent authorities, (hereinafter referred to as “Applicable Regulatory Authorities”) from time to time to the extent applicable and the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, which the Board is hereby authorized to accept, the consent and approval of the members of the Company (“Members”) be and is hereby accorded to the Board, to create, issue, offer and allot [36,67,090 (Thirty Six Lakhs Sixty Seven Thousand Ninety)] Equity Shares of face value being INR 05 (Indian Rupees Five) each at a price of INR 681.74 (Indian Rupees Six Hundred Eighty One Rupees and Seven Four Paise only) (“Preferential Allotment Price”) per share aggregating to INR 250,00,00,000 (Indian Rupees Two Hundred Fifty Crores only) on a preferential basis (“Preferential Allotment”) for cash consideration, to the following select group of persons (“Investors”) who do not belong to Promoter & Promoter Group of the Company, in the proportion mentioned below on such terms and conditions as may be determined by the Board in accordance with the applicable laws

S. No	Name of the Person	Amount (in INR)	No of Equity Shares	Shareholding Percentage
1.	ValueQuest Investment Advisors Private Limited	100,00,00,000	14,66,836	3.08%
2.	Evolve India Fund IV Ltd	100,00,00,000	14,66,836	3.08%
3.	Steadview Capital Mauritius Limited	50,00,00,000	7,33,418	1.54%
	<b>Total</b>	<b>250,00,00,000</b>	<b>36,67,090</b>	<b>7.69%</b>

**RESOLVED FURTHER** that without prejudice to the generality of the above resolution, the issue of the Equity Shares to Investors by way of preferential allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- The Equity Shares shall be issued and allotted by the Company in the dematerialized form within a period of 30 (thirty) days from the date of passing of the special resolution by the Members, subject to receipt of share application money (in full) and approval of regulatory authorities, if any. In case of any delay in receipt of approvals from any regulatory authorities the period of 30 (thirty) days will be reckoned from the date of receipt of approval.





- b) The Equity Shares to be offered, issued and allotted shall rank *pari passu* with the existing Equity Shares of the Company in all respects including the payment of dividend and voting rights, if any.
- c) The entirety of the subscription amount shall be payable at the time of application to the Equity Shares. Provided, if any of the Investor fails to apply within the stipulated time to the full extent of their eligibility or is found not eligible for the preferential allotment pursuant to any statutory or regulatory restrictions imposed, the Company shall allot the shares to the Investors up to the extent of their eligible applications received.
- d) The proposed allottees shall enter into a Share Subscription agreement and Shareholders agreement and adhere to the terms and conditions stipulated therein.

**RESOLVED FURTHER THAT** the monies received by the Company from the Investors for application of the Equity Shares pursuant to this preferential issue shall be kept by the Company in a separate bank account and shall not be utilized for the purpose other than for adjustment against allotment of securities or for the repayment of monies where the Company is unable to allot securities.

**RESOLVED FURTHER THAT** subject to provision of applicable laws, the Board (or any committee constituted by the Board in this regard) be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the Equity Shares, as it may be, in its sole and absolute discretion deem fit within the scope of this approval of Members and to make an offer to the Investors through private placement offer cum application letter without being required to seek any further consent or approval of the Members

**RESOLVED FURTHER THAT** the Directors, Company Secretary and the Chief Financial Officer of the Company be and are hereby authorised severally to do all such acts, deeds, matters and things as they may in their sole and absolute discretion consider necessary, desirable or expedient for the purpose of giving effect to the above resolutions, including but not limited to: (a) executing necessary deeds, documents and agreements in connection to the proposed issue; (b) to file requisite documents/make declarations/filings with Ministry of Corporate Affairs, Reserve Bank of India, SEBI, and any other statutory authority for and on behalf of the Company; (c) to represent the Company before any Government/regulatory authorities; (d) to appoint any merchant bankers or consultants or legal and other professional advisors, and (e) to execute and deliver any and all documents, regulatory filings, certificates or instruments (including a certified copy of these resolutions), undertakings and to do or cause to be done any and all acts, deeds or things as may be necessary, appropriate or advisable solely in order to carry out the purposes and intent of, and to give effect to the foregoing resolutions, including any forms and documents that may be required to be filed with the concerned Registrar of Companies and other concerned regulatory authorities and to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the Equity Shares, utilization of issue proceeds, as may be required in this regard.”





#### ITEM NO 10:

### **APPROVAL OF INITIAL PUBLIC ISSUE OF EQUITY SHARES THROUGH A FRESH ISSUE AND OFFER FOR SALE OF EQUITY SHARES BY THE COMPANY**

**To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:**

**“RESOLVED THAT** in accordance with and subject to Sections 23, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, and the rules framed thereunder, including the Companies (Share Capital and Debentures) Rules, 2014, each as amended, (including any statutory modifications or re-enactment thereof, for the time being in force) (the collectively **“Companies Act”**), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956 (**“SCRA”**) and the Securities Contracts (Regulation) Rules, 1957 (**“SCRR”**), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the **“SEBI ICDR Regulations”**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), as amended, the Foreign Exchange Management Act, 1999, as amended (the **“FEMA”**), and the rules and regulations made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by the Securities and Exchange Board of India (the **“SEBI”**), the Reserve Bank of India (the **“RBI”**), Government of India (**“GoI”**) and any foreign investment law or policy or guidelines issued by RBI and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof, for the time being in force) (collectively, the **“Applicable Laws”**), and in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Company and the uniform listing agreements to be entered into between the Company and the respective stock exchanges where the equity shares having of face value of ₹ 5 each of the Company (**“Equity Shares”**) are proposed to be listed (the **“Stock Exchanges”**), and subject to any approvals, consents, permissions and sanctions as may be required from the Registrar of Companies, Karnataka at Bangalore (**“RoC”**), SEBI, RBI, the Department for Promotion of Industry and Internal Trade (**“DPIIT”**), Ministry of Commerce and Industry, GOI, the Stock Exchanges and all other appropriate statutory authorities and departments (collectively the **“Regulatory Authorities”**), and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the board of directors of the Company (hereinafter referred to as the **“Board”**, which term shall be deemed to include the IPO committee (**“IPO Committee”**) or any other duly constituted committee of the Board, consent of the members of the Company be and is hereby accorded for an initial public offering of Equity Shares and the Board be and is hereby authorised to create, offer, issue, allot and/or transfer such number of Equity Shares up to an aggregate amount of ₹ 5000 million (including share premium), including by way of a fresh issuance of Equity Shares, out of the authorized share capital of the Company (**“Fresh Issue”**) and/or an offer of sale of such number of Equity Shares by certain of the existing and eligible shareholders of the Company (**“Selling Shareholders”**), as may be determined at the Board’s absolute discretion after considering the prevailing market conditions and other relevant factors (**“Offer for Sale”** and together with the Fresh Issue, the **“Offer”**), (with an option to the Company to retain an over-subscription to the extent of 1% of the net Offer size, or such other extent as may be permitted under the Applicable Laws, for the purpose of rounding off to the nearest integer while finalising the basis of allotment) including any issue and allotment of Equity Shares to the stabilizing agent pursuant to a green shoe option and/or any other person pursuant to any pre-IPO Placement in terms of the SEBI ICDR Regulations at a price to be determined, by the Company, in consultation with the book running lead managers so appointed (**“BRLMs”**) by the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount or at par per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Company, in consultation with the BRLMs in accordance with the SEBI ICDR Regulations.





**RESOLVED FURTHER THAT** in accordance with Applicable Laws, the Offer may include, without limitation, issuance and allotment of Equity Shares to a stabilising agent pursuant to a green shoe option, if any, in terms of the SEBI ICDR Regulations and reservation of a certain number of Equity Shares to be issued to such person or persons, who may or may not be the members of the Company and as the Board may at its discretion decide in consultation with the BRLMs and as may be permissible under Applicable Laws.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, matters, deeds and things and negotiate, finalise and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable in relation to the Offer and the consequent listing of the Equity Shares on the recognized Stock Exchanges on behalf of, and in the best interests, of the Company, including determination of the terms of the Offer, the timing, size and price, in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as may be fixed and determined by the Board in consultation with the BRLMs in accordance with the SEBI ICDR Regulations, to any category of persons who are eligible investors, who may or may not be the shareholder(s) of the Company as the Board may, in consultation with the BRLMs decide, including anchor investors, if any, and qualified institutional buyers as defined under Regulations 2(1)(c) and 2(1)(ss) respectively of the SEBI ICDR Regulations, non-resident / resident investors (whether institutions, incorporated bodies, registered mutual funds and / or individuals or otherwise), Hindu undivided families, eligible employees (whether through any reservation of a certain number of Equity Shares for any category or categories of persons as permitted under Applicable Laws (the “**Reservation**”), or otherwise), non-resident Indians, registered foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices, registered alternative investment funds, public financial institutions as specified in Section 2(72) of the Companies Act, registered venture capital funds, foreign venture capital investors, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority of India, insurance funds, provident funds with a minimum corpus of INR 250 million, pension funds with a minimum corpus of INR 250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, national investment fund, insurance funds set up and managed by the army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, registered with the Insurance Regulatory and Development Authority of India, systemically important non-banking financial companies, trusts / societies registered under the Societies Registration Act, 1860, multilateral and bilateral development financial institutions, bodies corporate, companies, private or public or other entities whether incorporated or not, authorities and to such other persons, including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof, or any other category of investors who are permitted to invest in the Equity Shares as per Applicable Laws (collectively referred to as the “**Investors**”), through an offer document, prospectus and / or an information memorandum, if any, and the decision to determine the category or categories of investors to whom the allotment / transfer shall be made to the exclusion of all other categories of investors and in such manner as the Board may in its discretion, deem fit, including in consultation with BRLMs, underwriters, placement agents and / or other advisors as may be appointed for the Offer on such terms as may be deemed appropriate by the Board, the number of securities to be allotted or transferred in each tranche, issue price, listing on one or more stock exchanges in India as the Board in its absolute discretion deems fit in relation to the Offer, in consultation with the BRLMs, and approve and appoint intermediaries in relation to the Offer, incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, with respect to the Offer, including in relation to utilization of the proceeds of the Fresh Issue, if applicable, and such other activities as may be necessary in relation to the Offer, and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best





interest of the Company, without requiring any further approval of the members, and that all or any of the powers of the Company devolved pursuant to this resolution may be exercised by the Board or any duly constituted committee of the Board, including the IPO Committee.

**RESOLVED FURTHER THAT** in accordance with the provisions of Section 23, Section 42, Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, the SEBI ICDR Regulations and other Applicable Laws and subject to such further corporate and other approvals as may be required, the Board, either by itself or the IPO Committee thereof, be and is hereby authorised, on behalf of the Company, subject to such regulatory and/or corporate approvals that may be required, to undertake a private placement of certain specified securities to selected investors as permitted under Applicable Laws (“**Pre-IPO Placement**”) up to such number of specified securities/ up to such aggregate amount and at such price as the Board may determine, in consultation with the BRLMs, in light of the then prevailing market conditions and in accordance with the Applicable Laws, and in the event of the consummation of the Pre-IPO Placement, the size of the Offer would be reduced to the extent of specified securities issued and subscribed under the Pre-IPO Placement, and to take any and all actions in connection with the Pre-IPO Placement as the Board or the IPO Committee may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto, to seek any consent or approval required or necessary, to give directions or instructions and do all such acts, deeds, matters and things as the Board or the IPO Committee may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable, and to settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing resolution. It is clarified that, in the event of a Pre-IPO Placement, the size of the Offer would be reduced, only from the Fresh Issue portion of the Offer to the extent of Equity Shares issued under the Pre-IPO Placement, subject to the Offer satisfying the minimum issue size requirements under the SCRR.

**RESOLVED FURTHER THAT** the Board either by itself or through the IPO Committee thereof, be and is hereby authorised, on behalf of the Company at its sole discretion, to make available for allocation a portion of the Offer to any category(ies) of persons permitted under Applicable Law, including without limitation to the eligible employees (the “**Reservation**”) or to provide a discount to the Offer price to retail individual bidders, eligible employees or such other eligible categories of investors (the “**Discount**”), and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to seek any consent or approval required or necessary, to give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable, and to settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing resolution.

**RESOLVED FURTHER THAT** subject to such regulatory approvals as may be required, the Offer shall be to such persons, who may or may not be shareholders of the Company, as the Board may, in its sole discretion decide, whether individual(s), companies, bodies corporate or institutions including foreign portfolio investors / Indian financial institutions, qualified institutional buyers, as defined under the SEBI ICDR Regulations, resident Indians, non-resident Indians, mutual funds, banks, insurance companies, permanent employees of the Company or of its subsidiaries, and other persons or entities, as may be permissible under Applicable Laws, including reservation for any permissible persons or categories of investors, for cash at a price to be determined by the book building process in accordance with the provisions of the SEBI ICDR Regulations, and in such manner and on such terms and conditions as the Board may think fit, in accordance with the provisions of the Companies Act, as amended, the SCRA, SCRR and FEMA.

**RESOLVED FURTHER THAT** the Equity Shares so allotted or transferred pursuant to the Offer, shall be listed on one or more recognized stock exchanges in India.

**RESOLVED FURTHER THAT** the Equity Shares allotted and/or transferred pursuant to the Offer as aforesaid (including pursuant to green shoe option) shall be subject to the Memorandum of





Association and Articles of Association of the Company and shall rank *pari passu* with the existing Equity Shares in all respects, including rights in respect of dividend.

**RESOLVED FURTHER THAT** in consultation with the stock exchanges and as may be permitted under the SEBI ICDR Regulations or any other Applicable Laws, the Company will have an option to retain an over-subscription, to the extent of 1% of the net Offer size or such other extent as may be permitted under the Applicable Laws, for the purpose of rounding off to the nearest integer, while finalizing the basis of allotment.

**RESOLVED FURTHER THAT** all monies received out of the Offer shall be transferred to a separate bank account opened for the purpose of the Offer referred to in Section 40(3) of the Companies Act, and if the application monies received pursuant to the Offer are not refunded within such time, as specified by SEBI and in accordance with Applicable Laws, the Company and/or the selling shareholders shall pay interest on failure thereof, as per Applicable Laws.

**RESOLVED FURTHER THAT** subject to the provisions of the SEBI ICDR Regulations, such Equity Shares as are not subscribed and/or not transferred by way of the Offer, may be disposed off by the Board to such persons and in such manner and on such terms as the Board may, in its absolute discretion, think most beneficial to the Company, including offering or placing them with banks / financial institutions / investment institutions / mutual funds / foreign portfolio investors / bodies corporate / such other persons or otherwise, in accordance with Applicable Laws, without the approval of the members of the Company.

**RESOLVED FURTHER THAT** in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally authorized to do such acts, deeds and things as the Board in its absolute discretion deems necessary or desirable in connection with the Offer and to delegate all or any of the powers herein conferred in such manner as it may deem fit, to execute and deliver any and all other documents, papers or instruments and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Offer, and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing, and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

**RESOLVED FURTHER THAT** Mr. Anil Kumar Puttan – Chairman & Managing Director, Mr. Ramakrishna Kamojhala – Whole-time Director (Finance) and Mr. Krishnappayya Desai – Company Secretary of the Company be and are hereby severally authorised to issue certified true copies of these resolutions to various authorities and to file necessary forms with the RoC and do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution.”





## ITEM NO 11

### INCREASE IN INVESTMENT LIMITS FOR NON-RESIDENT INDIAN AND OVERSEAS CITIZENS OF INDIA

In terms of Foreign Exchange Management Act, 1999, as amended (“**FEMA**”), the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended (“**FEMA Rules**”) and the Consolidated FDI Policy Circular of 2017, as amended (together with the FEMA and FEMA Rules, the “**FEMA Laws**”), the Companies Act, 2013, as amended (including any statutory modification or re-enactment thereof for the time being in force), the Non-resident Indians (“**NRIs**”) and Overseas Citizens of India (“**OCIs**”), together, can acquire and hold up to an aggregate limit of 10% of the paid up equity share capital of an Indian Company. The FEMA Laws further provide that the limit of 10% can be further increased up to 24% by passing a special resolution to that effect by the shareholders and followed by necessary filings with the Reserve Bank of India. Considering the proposal of intending to get the equity shares of the Company listed, the shareholders may consider, subject to approval of the shareholders by way of special resolution, to increase the foreign investment limit of NRIs and OCIs, together, to 24 % of the paid up equity share capital of the Company.

“**RESOLVED THAT** pursuant to the applicable provisions of Foreign Exchange Management Act, 1999, as amended (“**FEMA**”), Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, as amended up to date, the Consolidated Foreign Direct Investment Policy Circular of 2020 issued by the Department for Promotion of Industry and Internal Trade, Government of India, Master Directions – Foreign Investment issued by the Reserve Bank of India (as amended from time to time), the Companies Act, 2013 as amended, as the case may be and all other applicable acts, rules, regulations, provisions and guidelines (including any statutory modifications or re-enactments thereof for the time being in force) and subject to all applicable approvals, permissions and sanctions of the Reserve Bank of India (“**RBI**”), Ministry of Finance, Government of India (“**MoF**”), the Ministry of Corporate Affairs, Government of India (“**MCA**”) and other concerned authorities and subject to such conditions as may be prescribed by any of the said concerned authorities while granting such approvals, permissions or sanctions which may be agreed to by the Board of Directors of the Company, the respective limits of investment by non-resident Indians (“**NRI**”) and overseas citizens of India (“**OCI**”) in the Equity Shares of the Company in accordance with the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, is increased from 10 % to 24 % of the paid-up equity share capital of the Company., provided however that the shareholding of each non-resident Indian and overseas citizens of India in the Company shall not exceed the limit as may be stipulated by RBI in each case, from time to time.

**RESOLVED FURTHER THAT** the board of directors of the Company or any duly authorized committee or representative thereof, be and are hereby severally authorized to take all steps for giving effect to the aforesaid resolutions, including making the necessary applications, filing forms with the relevant authorities and doing all such acts, deeds, and things as may be required or deemed necessary to implement such resolutions.

**RESOLVED FURTHER THAT** Mr. Anil Kumar Puttan – Chairman & Managing Director, Mr. Ramakrishna Kamojhala – Whole-time Director (Finance) and Mr. Krishnappayya Desai – Company Secretary of the Company be and are hereby authorized to certify the true copy of the aforesaid resolutions and the same may be forwarded to any concerned authorities for necessary action.”

By Order of the Board  
For Unimech Aerospace and Manufacturing Limited

Anil Kumar Puttan

Chairman & Managing Director  
DIN: 07004517

Date: 03 July 2024  
Place: Bangalore





## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business under Items 1-5 mentioned in the accompanying Notice.

### **ITEM NO 3**

Pursuant to provisions of Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014 and on completion of the term of the existing Statutory Auditors, the Audit Committee and the Board of Directors of the Company has recommended appointment of M/s. MSKA – Chartered Accountants as the Statutory Auditors of the Company for a term of 5(five) consecutive years to hold office from the conclusion of this 8<sup>th</sup> Annual General Meeting until the conclusion of the 13<sup>th</sup> Annual General Meeting of the Company at such remuneration (exclusive of applicable taxes and reimbursement of out of pocket expenses) as shall be fixed by the Board of Directors of the Company in consultation with them. MSKA – Chartered Accountants have consented to act as Statutory Auditors and have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 and that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Board recommends the Resolution as set out at item no. 4 of the Notice for approval of the Members as an Ordinary Resolution. None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in the above resolution.

### **ITEM NO 4**

The Board has appointed Mr. Mukund Srinath as an Additional Director in the capacity of Independent Director of the Company in accordance with applicable laws, including the Companies Act, 2013 and the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") each as amended. His appointment as an Independent Director shall be for a period of 5 years commencing from the ensuing Annual General meeting till the Conclusion of Annual General Meeting to be held in the year 2029 subject to approval of members of the Company.

The Board is of the opinion that Mr. Mukund Srinath fulfils the criteria for being appointed as an Independent Director and that he is Independent of the management of the Company, as set out in the Companies Act, 2013, related rules framed thereunder, and the SEBI Listing Regulations.

The Board has received all the necessary disclosures, and the proposed Independent Director has submitted a declaration that he meets the criteria for appointment as an independent director as provided in Section 149(6) of the Companies Act, 2013. Further, Mr. Mukund Srinath has given the consent in writing to act as a Director in Form DIR-2 and an intimation to the effect that he is not disqualified to be appointed as a Director in other companies in Form DIR-8 is also received.

The appointment of Mr. Mukund Srinath's shall be as per the terms and conditions set out in the appointment letter. He will be entitled for a sitting fees as approved by the Board of Directors from time to time, reimbursement of expenses for participation in the Board, Committee and General meetings and commission as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013





of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

Additional information in respect of Mr. Mukund Srinath, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure A to this Notice. A brief profile of Mr. Mukund Srinath is also provided at Annexure B for this Notice.

Except Mr. Mukund Srinath, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out.

The Board of Directors are of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years. The Board recommends the resolution proposing the appointment of Mr. Mukund Srinath as an Independent Director of the Company, as set out in Item No. for approval of the Members by way of Special Resolution.

#### **ITEM NO 5**

The Board has appointed Mr. Ashok Tandon as an Additional Director in the capacity of Independent Director of the Company in accordance with applicable laws, including the Companies Act, 2013 and the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) each as amended. His appointment as an Independent Director shall be for a period of 5 years commencing from the ensuing Annual General meeting till the Conclusion of Annual General Meeting to be held in the year 2029 subject to approval of members of the Company.

The Board is of the opinion that Mr. Ashok Tandon fulfils the criteria for being appointed as an Independent Director and that he is Independent of the management of the Company, as set out in the Companies Act, 2013, related rules framed thereunder, and the SEBI Listing Regulations.

The Board has received all the necessary disclosures, and the proposed Independent Director has submitted a declaration that he meets the criteria for appointment as an independent director as provided in Section 149(6) of the Companies Act, 2013. Further, Mr. Ashok Tandon has given the consent in writing to act as a Director in Form DIR-2 and an intimation to the effect that he is not disqualified to be appointed as a Director in other companies in Form DIR-8 is also received.

The appointment of Mr. Mr. Ashok Tandon’s shall be as per the terms and conditions set out in the appointment letter. He will be entitled for a sitting fees as approved by the Board of Directors from time to time, reimbursement of expenses for participation in the Board, Committee and General meetings and commission as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

Additional information in respect of Mr. Ashok Tandon, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure A to this Notice. A brief profile of Mr. Mukund Srinath is also provided at Annexure B for this Notice.

Except Mr. Ashok Tandon, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out.

The Board of Directors are of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years. The Board recommends the resolution





proposing the appointment of Mr. Ashok Tandon as an Independent Director of the Company, as set out in Item No. for approval of the Members by way of Special Resolution.

#### **ITEM NO 6**

The Board has appointed Mr. Pavan Krishnamurthy as an Additional Director in the capacity of Independent Director of the Company in accordance with applicable laws, including the Companies Act, 2013 and the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) each as amended. His appointment as an Independent Director shall be for a period of 5 years commencing from the ensuing Annual General meeting till the Conclusion of Annual General Meeting to be held in the year 2029 subject to approval of members of the Company.

The Board is of the opinion that Mr. Pavan Krishnamurthy fulfils the criteria for being appointed as an Independent Director and that he is Independent of the management of the Company, as set out in the Companies Act, 2013, related rules framed thereunder, and the SEBI Listing Regulations.

The Board has received all the necessary disclosures, and the proposed Independent Director has submitted a declaration that he meets the criteria for appointment as an independent director as provided in Section 149(6) of the Companies Act, 2013. Further, Mr. Pavan Krishnamurthy has given the consent in writing to act as a Director in Form DIR-2 and an intimation to the effect that he is not disqualified to be appointed as a Director in other companies in Form DIR-8 is also received.

The appointment of Mr. Mr. Pavan Krishnamurthy’s shall be as per the terms and conditions set out in the appointment letter. He will be entitled for a sitting fees as approved by the Board of Directors from time to time, reimbursement of expenses for participation in the Board, Committee and General meetings and commission as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

Additional information in respect of Mr. Pavan Krishnamurthy, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure A to this Notice. A brief profile of Mr. Mukund Srinath is also provided at Annexure B for this Notice.

Except Mr. Pavan Krishnamurthy, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out.

The Board of Directors are of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years. The Board recommends the resolution proposing the appointment of Mr. Mukund Srinath as an Independent Director of the Company, as set out in Item No. for approval of the Members by way of Special Resolution.

#### **ITEM NO 7**

The Board has appointed Mrs. Vidya Rajarao as an Additional Director in the capacity of Independent Director of the Company in accordance with applicable laws, including the Companies Act, 2013 and the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) each as amended. Her appointment as an Independent Director shall be for a period of 5 years commencing from the ensuing Annual General meeting till the Conclusion of Annual General Meeting to be held in the year 2029 subject to approval of members of the Company.





The Board is of the opinion that Mrs. Vidya Rajarao fulfils the criteria for being appointed as an Independent Director and that she is Independent of the management of the Company, as set out in the Companies Act, 2013, related rules framed thereunder, and the SEBI Listing Regulations.

The Board has received all the necessary disclosures, and the proposed Independent Director has submitted a declaration that she meets the criteria for appointment as an independent director as provided in Section 149(6) of the Companies Act, 2013. Further, Mrs. Vidya Rajarao has given the consent in writing to act as a Director in Form DIR-2 and an intimation to the effect that he is not disqualified to be appointed as a Director in other companies in Form DIR-8 is also received.

The appointment of Mrs. Vidya Rajarao's shall be as per the terms and conditions set out in the appointment letter. He will be entitled for a sitting fees as approved by the Board of Directors from time to time, reimbursement of expenses for participation in the Board, Committee and General meetings and commission as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

Additional information in respect of Mrs. Vidya Rajarao, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure A to this Notice. A brief profile of Mrs. Vidya Rajarao is also provided at Annexure B for this Notice.

Except Mrs. Vidya Rajarao, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out.

The Board of Directors are of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years. The Board recommends the resolution proposing the appointment of Mrs. Vidya Rajarao as an Independent Director of the Company, as set out in Item No. for approval of the Members by way of Special Resolution.

#### **ITEM NO 8**

The Board has appointed Mr. Sridhar Ranganathan as an Additional Director in the capacity of Independent Director of the Company in accordance with applicable laws, including the Companies Act, 2013 and the provisions of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") each as amended. His appointment as an Independent Director shall be for a period of 5 years commencing from the ensuing Annual General meeting till the Conclusion of Annual General Meeting to be held in the year 2029 subject to approval of members of the Company.

The Board is of the opinion that Mr. Sridhar Ranganathan fulfils the criteria for being appointed as an Independent Director and that he is Independent of the management of the Company, as set out in the Companies Act, 2013, related rules framed thereunder, and the SEBI Listing Regulations.

The Board has received all the necessary disclosures, and the proposed Independent Director has submitted a declaration that he meets the criteria for appointment as an independent director as provided in Section 149(6) of the Companies Act, 2013. Further, Mr. Sridhar Ranganathan has given the consent in writing to act as a Director in Form DIR-2 and an intimation to the effect that he is not disqualified to be appointed as a Director in other companies in Form DIR-8 is also received.

The appointment of Mr. Sridhar Ranganathan's shall be as per the terms and conditions set out in the appointment letter. He will be entitled for a sitting fees as approved by the Board of Directors from time to time, reimbursement of expenses for participation in the Board, Committee and General





meetings and commission as may be approved by the Board of Directors on the recommendation of the Nomination and Remuneration Committee within the overall limits under Companies Act, 2013 of up to 1% of the net profits of the Company during any financial year, in aggregate payable to all Non-Executive Directors put together.

Additional information in respect of Mr. Sridhar Ranganathan, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure A to this Notice. A brief profile of Mr. Sridhar Ranganathan is also provided at Annexure B for this Notice.

Except Mr. Sridhar Ranganathan, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out.

The Board of Directors are of the opinion that it would be in the interest of the Company to appoint him as an Independent Director for a period of five years. The Board recommends the resolution proposing the appointment of Mr. Sridhar Ranganathan as an Independent Director of the Company, as set out in Item No. for approval of the Members by way of Special Resolution.

### ANNEXURE

<b>Purticulars</b>	<b>Details</b>				
Name of the Director	<b>Mr. Mukund Srinath</b>	<b>Mr. Ashok Tandon</b>	<b>Mr. Pavan Krishna Murthy</b>	<b>Mrs. Vidya Rajarao</b>	<b>Mr. Sridhar Ranganathan</b>
Brief Resume	Please refer Annexure 2	Please refer Annexure 2	Please refer Annexure 2	Please refer Annexure 2	Please refer Annexure 2
Age					
Relationship with directors	Not related to any Director inter-se	Not related to any Director inter-se	Not related to any Director inter-se	Not related to any Director inter-se	Not related to any Director inter-se
Date of initial appointment	03 July 2024	03 July 2024	03 July 2024	03 July 2024	03 July 2024
Details Qualification	CS, M.com, LLB	CS, LLB	CA, BSc	CA	BSc
Experience and expertise in specific functional area	Legal, Finance, Secretarial.	Legal, Secretarial and Administration	Finance and Administration	Finance and Corporate Governance	Business and Marketing
Terms and conditions of appointment or re-appointment	As set forth in the resolution and terms of appointment	As set forth in the resolution and terms of appointment	As set forth in the resolution and terms of appointment	As set forth in the resolution and terms of appointment	As set forth in the resolution and terms of appointment
Remuneration sought to be paid and the remuneration last drawn	As per the Board's Decision from time to time.  No past remuneration paid.	As per the Board's Decision from time to time.  No past remuneration paid.	As per the Board's Decision from time to time.  No past remuneration paid.	As per the Board's Decision from time to time.  No past remuneration paid.	As per the Board's Decision from time to time.  No past remuneration paid.
Directorship on the Boards of other Companies	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1
Chairmanship on the Committees of Boards of other companies	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1





Membership on the Committees of Boards of other companies	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1	As disclosed in the MBP 1
No. of meetings of the Board attended during the year	NA	NA	NA	NA	NA
Number of shares held in the Company as on 31st March, 2021	Nil	Nil	Nil	Nil	Nil

#### ITEM NO 09

The present authorized share capital of the Company is INR 30,00,00,000 (Rupees Thirty Crores divided into 6,00,00,000 (Six Crore) equity shares of INR 5 (Indian Rupees five) and the issued and paid-up capital of the company as on the date of this notice is as under:

S No	Name of the Shareholder	No of Equity Shares	Shareholding Percentage	Category
1	Ramakrishna Kamojhala	78,79,620	17.91%	Promoter
2	Mani Puttan	78,79,620	17.91%	Promoter
3	Preetham Venkatesh Shimoga	52,53,360	11.94%	Promoter
4	Rashmi Anil Kumar	15,40,180	3.50%	Promoter Group
5	Rajanikanth Balaraman	78,79,620	17.91%	Promoter
6	Shakunthala B	1,14,240	0.26%	Public
7	Shankar Javaregowda	1,14,240	0.26%	Public
8	Anil Kumar Puttan	1,33,44,200	30.32%	Promoter
	<b>Total Shares</b>	<b>4,40,05,080</b>	<b>100%</b>	

The Company has made significant efforts in the recent past to create a pathway for future growth and expects to continue its growth trajectory in medium to long-term. Considering the business opportunities in the market, the Board is of the opinion to expand the Company's horizon by tapping new customers, expanding the existing facilities and making business acquisitions in India and abroad. Availability of adequate funds is one of the key requirements for achieving the said purpose and therefore the management is intending to raise funds by way of Initial Public Offering ("IPO"). The Company has kick-started the IPO process and is currently at the stage of finalizing the requisite documents. However, in order to meet the capital requirements for M&A activities, business expansion, and for general corporate purposes, the Board is of the opinion to raise funds by way of issuing further equity shares of the Company to the select group of persons.

In this regard, the Board, at its meeting held on July 03, 2024 has approved the issuance of [36,67,090 (Thirty Six Lakhs Sixty Seven Thousand Ninety) Equity Shares] of face value being INR 5 (Indian Rupees Five) each at a price of [INR 681.74 (Rupees Six Hundred Eighty One Rupees and Seven Four Paise only)] ("**Preferential Allotment Price**") each per share aggregating to INR 250,00,00,000 (Indian Rupees Two Hundred Fifty Crores) on a preferential basis ("**Preferential Allotment**") for cash consideration, to the select group of persons who do not belong to Promoter & Promoter Group of the Company.



1. **Particulars of the offer including date of passing of Board resolution, kind of Securities offered, maximum number of Securities to be issued, class or classes of persons to whom allotment is proposed to be made and the Issue Price**

The Board of Directors of the Company at their meeting held on 03 July 2024 have, subject to the approval of the members of the Company ("Members") and such other approvals as may be required, approved the issue [36,67,090 (Thirty Six Lakhs Sixty Seven Thousand Ninety)] Equity Shares of face value being INR 5 (Five) each at a price of INR 681.74/- (Rupees Six Hundred Eighty One Rupees and Seven Four Paise only) ("Preferential Allotment Price") each including premium of Rs. 676.74/- (Rupees Fifteen Thousand Two Hundred Ninety only) per share aggregating to Rs. 250,00,00,000 (Rupees Two Hundred Fifty Crores) on a preferential basis ("Preferential allotment") to the proposed investors as referred to in the resolution and who do not belong to the Promoters & Promoter Group of the Company.

The Equity Shares shall be issued and allotted to the investors as detailed herein below;

S. No	Name of the Person	Amount (in INR)	No of Equity Shares	Shareholding Percentage
1.	ValueQuest Investment Advisors Private Limited	100,00,00,000	14,66,836	3.08%
2.	Evolve India Fund IV Ltd	100,00,00,000	14,66,836	3.08%
3.	Steadview Capital Mauritius Limited	50,00,00,000	7,33,418	1.54%
	<b>Total</b>	<b>250,00,00,000</b>	<b>36,67,090</b>	<b>7.69%</b>

The terms and conditions of the preferential allotment of the Equity Shares are as stated in the Resolution.

2. **Objects of the Preferential Allotment**

The proceeds of the issue of aforementioned Equity Shares will be primarily used to meet any of the following purposes or any combination thereof as deemed fit by the management of the Company.

- Business Expansions
- To make business acquisitions by way of M&A in India and Abroad
- To provide for requisite investments for long term growth of the Company
- To meet the requirements of Capex plans of the Company
- To meet the IPO expenses
- For general corporate purpose

3. **Relevant Date:**

In terms of the provisions of the Act, the date of valuation by the registered Valuer is July [.] 2024.





4. **Basis on which the price has been arrived at and justification for the price (including premium, if any)**

The Company has obtained a Valuation report from [.] a valuer having registration no [.] dated [.] wherein the price of Equity share is valued at INR [.] per share. Considering the same as base price, the price of each Equity Share is set as INR [.] which is not less than the base price, as per the provisions of Companies Act, 2013.

The report of the registered valuer is duly attached herewith as annexure.

The Details of the registered valuer is as under:

Name of the Registered Valuer: [.]

Address: [.]

5. **Amount which the Company intends to raise by way of such securities:**

Up to a maximum of Rs. 250,00,00,000/- (Rupees Two Hundred Fifty Crores only)

6. **Intent of the Promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Allotment**

The Equity Shares are being offered to the select group of person who do not belong to promoter or promoter group. None of the Promoters or promoter group or Directors or key managerial personnel of the Company intend to subscribe to any of the Equity Shares proposed to be issued under this preferential allotment.

7. **Material terms of raising of securities**

The Equity Shares to be offered, issued and allotted shall rank *pari passu* with the existing Equity Shares of the Company in all respects including the payment of dividend and voting rights.

The entirety of the Preferential Allotment Price shall be payable at the time of application to the Equity Shares. Provided, if any of the investor fails to apply within the stipulated time to the full extent of their eligibility or is found not eligible for the Preferential Allotment pursuant to any statutory or regulatory restrictions imposed, the Company shall allot the shares to the Investors up to the extent of their eligible applications received

Such other terms as agreed in the Share Subscription Agreement.

8. **Time frame within which the Preferential Allotment shall be completed**

In terms of provisions of the Companies Act, 2013, the Equity Shares shall be issued and allotted by the Company within a period of 30 (thirty) days from the date of receipt of application money from the proposed investor. The private placement offer cum application letter shall be valid from the date of circulation of private placement offer cum application letter till the date of allotment of equity shares.





9. **Shareholding pattern of the Company before and after the preferential allotment:**

S. No	Details of Shareholders	PRE-ISSUE		POST-ISSUE	
		No of Equity Shares	Shareholding percentage	No of Equity Shares	Shareholding percentage
<b>I</b>	<b>Promoter and Promoter Group Holding</b>				
	Ramakrishna Kamojhala	78,79,620	17.91	78,79,620	16.53
	Mani Puttan	78,79,620	17.91	78,79,620	16.53
	Preetham Venkatesh Shimoga	52,53,360	11.94	52,53,360	11.02
	Rajanikanth Balaraman	78,79,620	17.91	78,79,620	16.53
	Anil Kumar Puttan	1,33,44,200	30.32	1,33,44,200	27.99
	Rashmi Anil Kumar	15,40,180	3.50	15,40,180	3.23
<b>II</b>	<b>Non-Promoter Holding</b>				
	Shakunthala B	1,14,240	0.26	1,14,240	0.24
	Shankar Javaregowda	1,14,240	0.26	1,14,240	0.24
	ValueQuest Investment Advisors Private Limited	-	-	14,66,836	3.08
	Evolve India Fund IV Ltd	-	-	14,66,836	3.08
	Steadview Capital Mauritius Limited	-	-	7,33,418	1.54
	<b>Grand Total</b>	<b>4,40,05,080</b>	<b>100.00</b>	<b>4,76,72,170</b>	<b>100.00</b>

10. **Change in control if any, in the Company that would occur consequent to the preferential issue**

There will not be any change in the control of the Company either directly or indirectly except proportionate reduction of shareholding of the Promoters to the extent of new shares allotted. However, this may be subject to the Shareholders agreement executed by and between the Company and its Shareholders.

11. **The name and Identity of the proposed allottees, the percentage of pre and post preferential issue capital that may be held by them**

S. No	Name of the Investor	Pre-issue Equity holding	Percent age of Shares Held	No of Equity Shares to be allotted	Post issue Equity	Percentage of Shares Held
1.	ValueQuest Investment Advisors Private Limited	-	0	14,66,836	14,66,836	3.08%
2.	Evolve India Fund IV Ltd	-	0	14,66,836	14,66,836	3.08%
3.	Steadview Capital Mauritius Limited	-	0	7,33,418	7,33,418	1.54%



12. **Principle terms of assets charged as Securities:** Not Applicable
13. **Valuation for consideration other than cash:** Not applicable
14. **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:** Not applicable
15. **Other Disclosures:**
  - a) Report of registered valuer is obtained as per the provisions of second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014 for the proposed preferential allotment.
  - b) During the period from 01<sup>st</sup> April, 2024 till the date of notice of this AGM, the Company has not made any preferential allotment.

In accordance with the provisions of Section 23, Section 42 and Section 62 of the Act read with applicable rules thereto, approval of the Members for issue and allotment of the said Equity Shares to Investor specified in the resolution is being sought by way of a special resolution as set out in the said item of the Notice.

The resolution and the terms stated therein and in the explanatory statement herein above shall be subject to the guidelines/ regulations issued by the Government of India or the Ministry of Corporate Affairs or any other regulatory/ statutory authorities in that behalf and the Board shall have the absolute authority to modify the terms contained herein or in the said resolution, if required by the aforesaid regulatory/ statutory authorities.

The issue of the said Equity Shares would be well within the Authorized Share Capital of the Company.

The Board of Directors believes that the proposed issue is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out in the said Item in the accompanying notice for approval by the members.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the said resolution.

#### **ITEM NO 10**

The Company intends to list its equity shares ("**Equity Shares**") on one or more recognised stock exchanges to enable the shareholders to have a formal market place for dealing with the Company's equity shares. For this purpose, it is intended to undertake an initial public offering of the Equity Shares of the Company ("**Offer**"). The Company intends to undertake the Offer and list the Equity Shares at an opportune time in consultation with the book running lead managers ("**BRLMs**") and other advisors in relation to the Offer and subject to Applicable Laws and regulatory approvals.

In view of the above and in terms of Section 23, 42, 62(1)(c), and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, each as amended (the "**Companies Act**"), the approval of the members of the Company is required through a special resolution.

The Company proposes to create, offer, issue, allot and/or transfer such number of Equity Shares up to an aggregate amount of ₹ 5000 million (including share premium), including by way of a fresh issuance of Equity Shares, out of the authorized share capital of the Company ("**Fresh Issue**") and/or an offer of sale of such number of Equity Shares by certain of the existing and eligible shareholders of the Company, as may be determined at the Board's discretion after considering the prevailing the





market conditions and other relevant factors (“**Offer for Sale**” and together with the Fresh Issue, the “**Offer**”), on such terms and at such price or prices and at such time as may be considered appropriate by the board of directors of the Company (“**Board**”) or a duly authorised committee thereof, in consultation with the BRLMs appointed for the Offer, to the various categories of permitted investors who may or may not be the shareholder(s) of the Company in the initial public issue by way of book building method under the SEBI ICDR Regulations. The Equity Shares, if any, allotted *vide* the Offer shall rank in all respects *pari passu* with the existing equity shares of the Company.

The proceeds from the Fresh Issue will be utilised for the purposes that shall be disclosed in the draft red herring prospectus to be filed with the Securities and Exchange Board of India in connection with the Offer. The Board has the authority to modify the objects on the basis of the requirements of the Company, subject to Applicable Laws. The price at which the Equity Shares will be allotted through the Offer, as well as the price band within which bidders in the Offer will be able to put in bids for Equity Shares offered in the Offer shall be determined and finalised by the Company in consultation with the BRLMs to the Offer in accordance with the SEBI ICDR Regulations, on the basis of the book building process.

The Company will not make an issue of Equity Shares to any of the promoters, or members of the promoter group of the Company in the Offer. However, directors or key managerial personnel of the Company may apply for the Equity Shares in the various categories under the Offer in accordance with the SEBI ICDR Regulations, the Companies Act, and any other Applicable Laws.

Other than through their participation in the Offer as mentioned above, none of the Directors, key managerial personnel, senior management and relatives of Directors, key managerial personnel and/or senior management (as defined in the Companies Act and SEBI ICDR Regulations) are concerned or interested in the proposed resolution.

No change in control of the Company or its management of its business is intended or expected pursuant to the Offer.

The Board recommends this resolution to be passed by the members of the Company as a Special Resolution. Accordingly, approval of the members of the Company is sought to issue Equity Shares under Section 62(1)(c) and other applicable provisions of the Companies Act.

#### **ITEM NO 11**

In terms of Foreign Exchange Management Act, 1999, as amended, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended (the “**FEMA Regulations**”), and the Consolidated Policy Circular of 2017, as amended (together with the FEMA Regulations, the “**FEMA Laws**”), the Non Resident Indians (“**NRI**”) and Overseas Citizens of India (“**OCI**”), together, can acquire and hold on repatriation basis up to an aggregate limit of 10% of the paid up equity share capital of an Indian company. The FEMA Laws further provide that the limit of 10% can be further increased up to 24, by passing a special resolution to that effect by the shareholders and followed by necessary filings with Reserve Bank of India. In relation to the proposed Offer, the Company proposes to increase the aggregate limit of investment by non-resident Indians in the Company from 10% to 24 % of the paid-up equity share capital. This would allow non-resident Indians to acquire to a greater extent the equity shares proposed to be offered in the Offer and also allow effective post-listing trading in the Equity Shares by non-resident Indians.

None of the Directors, key managerial personnel, senior management and relatives of Directors, key managerial personnel and/or senior management (as defined in the Companies Act an SEBI ICDR Regulations) are concerned or interested in the proposed resolution, except in the ordinary course of business.

The Board recommends the resolution set out at Item No.5 of the Notice for your approval as a Special Resolution.



**Form No. MGT – 11****PROXY FORM**

**(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)**

CIN:	
Name of the company:	UNIMECH AEROSPACE AND MANUFACTURING LIMITED
Registered office:	No. 538, 7 <sup>th</sup> Cross, Peenya Industrial Area, Bangalore-58
Name of the member(s):	
Registered address:	
E- mail Id:	
Folio No.	

I/We being a member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_ of \_\_\_\_\_ E-mail Id: \_\_\_\_\_ or failing him and whose signatures are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the General Meeting of the Company to be held on the above date at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

\*I wish my above proxy to vote in the manner as indicated below:

RESOLUTION(S)	FOR	AGAINST
ITEM NO. 1		
ITEM NO. 2		
ITEM NO. 3		
ITEM NO. 4		
ITEM NO. 5		
ITEM NO. 6		
ITEM NO. 7		
ITEM NO. 8		
ITEM NO. 9		
ITEM NO. 10		

Signed this \_\_\_\_ day of \_\_\_\_\_ 2024

Signature of shareholder

Signatures of proxy holders

1. \_\_\_\_\_ 2. \_\_\_\_\_

Affix  
Rupee 1/-  
Revenue  
Stamp



Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) \*This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/ she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint shareholders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

**ATTENDANCE SLIP**

**EXTRAORDINARY GENERAL MEETING TO BE HELD ON 03 JULY 2024, AT 04:00 PM**

Name Of the Attending Member (in block letters)	
Folio No	
No. of shares Held	
Name Of Proxy (in block letters, to be filled in if the proxy attends instead of the member)	
Name & Address of Proxy :	

I/we, certify that I/we am/are registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the General Meeting of the Company held on at the above date and at the registered office of the Company situated at Taj Yeshwanthpur, 2275, Tumkur Rd, Yeshwanthpur Industrial Area, Phase 1, Yeswanthpur, Bengaluru, Karnataka 560 022.