NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2024

NOTE 1 BACKGROUND

AIA Engineering Limited (the 'Company') is a public limited company incorporated and domiciled in India. Its equity shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') in India. The registered office of the Company is located at 115, G.V.M.M. Estate, Odhav road, Odhav, Ahmedabad – 382410, Gujarat, India. These consolidated financial statements comprise financial statements of the Company and its subsidiaries (collectively referred to as the "Group") and Group's interest in joint ventures for the year ended 31 March, 2024. The Group is primarily involved in the manufacturing of High Chrome Mill Internals.

NOTE 2 BASIS OF PREPARATION

2.1 Statement of compliance

These consolidated financial statements of the Group are prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013 ('the Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Act.

The consolidated Ind AS financial statements of the Group comprises, the consolidated balance sheet as at 31 March, 2024, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as "consolidated financial statements").

The consolidated financial statements are approved for issue by the Board of Directors in their meeting held on 14 May, 2024.

Details of the Group's accounting policies are included in Note 3 of the consolidated financial statements.

2.2 Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities (including derivative instruments)	Fair value
Employee defined benefit asset / liability	Plan assets measured at fair value less present value of defined benefit obligations

2.3 Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses based on historical experiences and other factors, including expectation of future events that may have an impact on the Group and that are reasonable and such estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

The following areas are subject to estimation uncertainties and the details thereof are included in respective notes:

- **Note 4, 5 and 7** – estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment and intangible assets, impairment of goodwill;
- **Note 40 (b) and (c)** recognition of deferred tax;
- **Note 42** measurement of defined benefit obligations: key actuarial assumptions;
- **Notes 24, 30 and 43** – recognition and measurement of provisions and contingencies such as warranty claims: key assumptions about the likelihood and magnitude of an outflow of resources;
- **Notes 9, 16 and 49** – measurement of expected credit loss allowance

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- **Note 23 and 26** – Lease Liabilities: key assumptions about reasonable certainty of the Company exercising renewal options under the agreement.
- **Note 8** - investments accounted for using the equity method: whether the Group has joint control over an investee;

2.4 Measurement of fair values

Some of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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The Group has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Current/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 12 months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and Group's interest in joint ventures.

Subsidiaries :

Control is achieved when the Company has:

- Power over the investee
- Is exposed or has rights to variable returns from its involvement with the investee, and
- Has the ability to use its power over the investee to affect its returns.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Joint Venture:

The Group's interests in equity accounted investees comprises interests in joint venture.

Joint ventures is an arrangement in which the Group has joint control, whereby the Group has rights to net assets of arrangement, rather than rights of his assets and obligation for its liabilities.

Interest in Joint venture are accounted for using equity method. They are initially recognised at cost, which includes transaction cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees, until the date on which significant influence or joint control ceases.

Non-controlling interests (NCI):

NCI are measured initially at their proportionate share of acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in subsidiary that do not result in loss of control are accounted for as equity transaction.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March. When the end of the reporting period of the Company is different from that of a subsidiary and joint ventures, the subsidiary and joint ventures, prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Company to enable the Company to consolidate the financial information of the subsidiary, and joint ventures, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Unrealised gains arising from transaction with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

(d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of entities included in these consolidated financial statements along with its shareholding is summarised hereunder.

Name of entity	Country of Incorporation	Ownership interest held by the Group		Proportion of ownership interests and voting rights held by non-controlling interests	
		31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
Direct subsidiaries					
Welcast Steels Limited	India	74.85%	74.85%	25.15%	25.15%
AIA CSR Foundation	India	100%	100%	-	-
Vega Industries (Middle East) F.Z.C (VEGA ME)	U.A.E.	100%	100%	-	-
Indirect subsidiaries					
Vega Industries Limited (1)	U.K.	100%	100%	-	-
Vega Industries Limited (VEGA USA)(2)	U.S.A.	100%	100%	-	-
Vega Steel Industries (RSA) Proprietary Limited(3)	South Africa	74.63%	74.63%	25.37%	25.37%
Wuxi Vega Trade Co., Limited(1)	China	100%	100%	-	-
PT. Vega Industries Indonesia(4)	Indonesia	100%	100%	-	-
AIA Industries Chile SPA(1)	Chile	100%	100%	-	-
AIA Ghana Limited(1)	Ghana	100%	100%	-	-
Vega Industries Australia Pty Ltd(1)	Australia	100%	100%	-	-
Vega Industries Peru Limited(4)	Peru	100%	-	-	-
Joint Venture:					
Vega MPS Pty. Ltd (5)	Australia	43%	-	-	-

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(1) Wholly owned subsidiaries of Vega Industries (Middle East) F.Z.C., U.A.E.

(2) Wholly owned subsidiary of Vega Industries Limited, U.K.

(3) Subsidiary of Vega Industries (Middle East) F.Z.C., U.A.E.

(4) 99% of shares are held by Vega Industries (Middle East) F.Z.C., U.A.E. and balance 1% is held by AIA Engineering Limited.

(5) 43% of shares are held by Vega Industries (Middle East) F.Z.C., U.A.E. and balance 57% is held by promoters of Vega MPS Pty. Ltd, a newly incorporated company, created by promoters of MPS (Mining Products and Service Pty. Ltd.), Australia.

2.6 Functional and presentation currency

The functional currency and the presentation currency of the Company / Group is Indian rupees. All the amounts are stated in the nearest rupee in Lakhs with two decimals.

NOTE 3 MATERIAL ACCOUNTING POLICIES

a) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on settlement of transactions and translation of monetary items are recognised in statement of profit and loss. However, foreign currency differences pertaining to qualifying cash flow hedges are recognised in other comprehensive income to the extent the hedges are effective.

b) Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets - classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTOCI – debt investment;
- FVTOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment by investment basis. At present there are no such investments.

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All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. This includes derivative financial assets and investments. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses for financial assets held by the Group

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is recognised in consolidated statement of profit and loss.

Financial assets at FVTOCI	These assets are subsequently measured at fair value. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss above amortised cost is recognised in Other comprehensive income.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in consolidated statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in consolidated statement of profit and loss. Any gain or loss on derecognition is also recognised in consolidated statement of profit and loss. Presently, all the financial liabilities are measured at amortised cost except derivative instruments which are measured at FVTPL.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

c) Derivative financial instruments and hedge accounting

The Group enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial assets measured at amortised cost.

The Group formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognised financial assets ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Group's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a cash flow hedge under Ind AS 109, 'Financial Instruments'.

Recognition and measurement of cash flow hedge:

The Group strictly uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. As per Ind AS 109 - Financial Instruments, foreign currency forward contracts are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in hedge reserve (under reserves and surplus) through other comprehensive income and the ineffective portion is recognised immediately in the consolidated statement of profit and loss.

The accumulated gains / losses on the derivatives accounted in hedge reserve are transferred to the consolidated statement of profit and loss in the same period in which gains / losses on the underlying item hedged are recognised in the consolidated statement of profit and loss.

Derecognition:

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. When hedge accounting is discontinued for a cash flow hedge, the net gain or loss will remain in hedge reserve and be reclassified to the consolidated statement of profit and loss in the same period or periods during

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which the formerly hedged transaction is reported in the consolidated statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gains / losses recognised in hedge reserve is transferred to the consolidated statement of profit and loss.

d) Property, plant and equipment

Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in consolidated statement of profit and loss.

Transition to Ind AS

The cost of property, plant and equipment as at 1 April, 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and cost of the item can be measured reliably.

Depreciation

The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Freehold land is not depreciated.

Estimated useful life adopted by the Group:

Block of assets	Useful lives (years)	Useful lives (years)
Companies Act		
Buildings	3 – 60	3 – 60
Plant and equipments	7 – 22	15 – 22
Furniture and fixtures	10	10
Vehicles	8 – 10	6 – 10
Office equipments	5	5
Others – laboratory equipments	10	10
Others – computer hardware	3 – 6	3 – 6

Depreciation method followed by respective companies is as under:

Name of entity	Method of depreciation
AIA Engineering Limited, India	Depreciation on fixed assets is charged on Straight line method over the useful life of assets determined as per technical estimate.
Welcast Steels Limited, India	Depreciation on fixed assets is charged on written down value method over the useful life of assets as prescribed by Schedule II of Companies Act, 2013, except for plant and equipments for which useful life determined as per technical estimate.
Vega Industries (Middle East) F.Z.C, U.A.E.	Straight-line method over estimated useful lives of the assets.
Vega Industries Limited, U.S.A.	Straight-line method over estimated useful lives of the assets.
Vega Industries Limited, U.K.	Written Down Value Method over estimated useful lives of the assets.

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Name of entity	Method of depreciation
Wuxi Vega Trade Co. Limited, China	Straight-line method over estimated useful lives of the assets.
Vega Steel Industries (RSA) Proprietary Limited, South Africa	Straight-line method over estimated useful lives of the assets.
PT. Vega Industries Indonesia	Straight-line method over estimated useful lives of the assets.
Vega Industries Chile SPA - Chile	Straight-line method over estimated useful lives of the assets.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Leasehold land is amortised over the lease period.

Following low value assets have been depreciated fully during the year of purchase

Plant and equipment and laboratory equipment with value up to ₹ 25,000 and

Other assets with value up to ₹ 5,000.

The management believes that these estimated useful lives 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.

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as other non-current assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the consolidated statement of profit and loss.

e) Goodwill and Other intangible assets

Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in consolidated statement of profit and loss.

The estimated useful lives of intangibles are as per below:

Software - 6 years Patents - 20 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Transition to Ind AS

The cost of intangible assets as at 1 April, 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Impairment

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (CGUs) that is expected to benefit from the synergies of the combination. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

f) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- **Raw materials and stores and spares:** 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 Cost basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads absorbed based on the normal operating capacity but excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

g) Impairment

Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether a financial asset carried at amortised cost is credit-impaired. A financial asset is 'credit -impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being significantly past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12 month expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Group is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the Group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Measurement of expected credit losses

Expected credit losses are a probability- weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the consolidated statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Assets (other than goodwill) for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h) Employee benefits

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in consolidated statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in consolidated statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in consolidated statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognised in Consolidated statement of profit and loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the Groupdoes not have an unconditional right to defer the settlement for atleast twelve months after the reporting date.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring in accordance with Ind AS 37 and involves payment of termination benefits.

i) Provisions (other than employee benefits), contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Warranties

Provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities. A liability is recognised at the time the product is sold. The Group does not provide any extended warranties to its customers.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

j) Revenue

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers.

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Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government.

Other operating revenue - export incentives

Export incentives are recognised as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

k) Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of dividend can be measured reliably.

l) Leases

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

1. The contract involves the use of an identified asset.
2. the Group has substantially all of the economic benefits from use of the asset through the period of the lease and,
3. the Group has the right to direct the use of the asset.

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

The ROU are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives received. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of ROU assets are determined on the same basis as those of property, plant and equipment.

The Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the Group's incremental borrowing rates. The lease liability is measured at amortised cost using the effective interest method.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liability and ROU asset have been separately presented in the consolidated balance sheet and lease payments have been classified as cash flows from financing activities.

m) Income taxes

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it related to items recognised directly in equity or in Other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets and liabilities in a transaction that:
  - is not a business combination and
  - at the time of transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences
- Temporary differences related to investments in subsidiaries and joint arrangements to the extent the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Foreign companies recognise tax liabilities and assets in accordance with the local laws.

n) Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group. For the disclosure on reportable segments see Note 48.

p) Cash and cash equivalents

Cash and cash equivalents for the purpose of Consolidated statement of cash flows comprise cash and bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments not held for investment purposes.

q) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The Group did not have any potentially dilutive securities in any of the years presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

r) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s) GST input credit

Goods and service tax (GST) input credit is accounted on an accrual basis on purchase of eligible inputs, capital goods and services. The balance of GST input credit is reviewed at the end of each year and amount estimated to be un-utilisable is charged to the statement of profit and loss for the year.

t) Changes in material accounting policies

Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April, 2023. Although the amendments did not result in any changes in accounting policies themselves, they impact the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity specific accounting policy information that users need to understand other information in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 MARCH, 2024 (CONTD.)

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixture	Vehicles	Office Equipment	Others *	Total
Cost :								
As at 01 April, 2022	3,739.43	37,525.79	82,100.57	1,260.42	315.57	686.14	1,677.26	1,27,305.18
Exchange differences on translation of foreign operations	-	-	-	6.74	10.73	16.11	13.07	46.65
Additions during the year	1,475.08	7,433.81	20,382.00	281.02	61.30	243.64	463.05	30,339.90
Disposal / adjustments during the year	-	(12.27)	(172.72)	(14.61)	(36.60)	(5.01)	(37.56)	(278.77)
As at 31 March, 2023	5,214.51	44,947.33	1,02,309.85	1,533.57	351.00	940.88	2,115.82	1,57,412.96
Exchange differences on translation of foreign operations	-	-	-	2.52	2.09	(10.49)	3.25	(2.63)
Additions during the year	-	3,796.63	14,023.57	256.57	239.51	182.95	348.04	18,847.27
Disposal / Adjustments during the year	-	(262.66)	(567.71)	(5.19)	(45.89)	(8.59)	(77.64)	(967.68)
As at 31 March, 2024	**5,214.51**	**48,481.30**	**1,15,765.71**	**1,787.47**	**546.71**	**1,104.75**	**2,389.47**	**1,75,289.92**
Accumulated depreciation :								
As at 01 April, 2022	-	8,977.95	42,577.39	795.39	196.12	515.53	1,155.52	54,217.90
Exchange differences on translation of foreign operations	-	-	-	6.07	9.41	13.69	9.75	38.92
Depreciation for the year	-	1,490.14	6,966.15	94.94	33.59	74.73	210.79	8,870.34
Disposal / Adjustments	-	(4.43)	(161.12)	(12.70)	(30.41)	(3.63)	(28.21)	(240.50)
As at 31 March, 2023	-	10,463.66	49,382.42	883.70	208.71	600.32	1,347.85	62,886.66
Exchange differences on translation of foreign operations	-	-	-	2.23	1.85	(0.51)	2.54	6.11
Depreciation for the year	-	1,629.70	7,427.60	121.45	46.97	116.66	231.42	9,573.80
Disposal / Adjustments during the year	-	(94.08)	(516.54)	(1.17)	(35.35)	(7.47)	(47.00)	(701.61)
As at 31 March, 2024	**-**	**11,999.28**	**56,293.48**	**1,006.21**	**222.18**	**709.00**	**1,534.81**	**71,764.96**
Carrying amount :								
As at 31 March, 2023	5,214.51	34,483.67	52,927.43	649.87	142.29	340.56	767.97	94,526.30
As at 31 March, 2024	**5,214.51**	**36,482.02**	**59,472.23**	**781.26**	**324.53**	**395.75**	**854.66**	**1,03,524.96**

* Others include laboratory equipments and computer hardware.

Notes:

1. There have been no charge over immovable properties of the Group.
2. Refer note 43 (b) for contractual commitments with respect to property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 5 RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	Leasehold Land	Buildings	Total
Cost:			
As at 01 April, 2022	3,235.27	1,585.07	4,820.34
Exchange differences on translation of foreign operations	-	4.72	4.72
Additions during the year	-	333.63	333.63
Deductions / adjustments during the year	(185.00)	(6.56)	(191.56)
As at 31 March, 2023	3,050.27	1,916.86	4,967.13
Exchange differences on translation of foreign operations	-	(7.78)	(7.78)
Additions during the year	1,751.70	377.46	2,129.16
Deductions / adjustments during the year	-	(14.55)	(14.55)
As at 31 March, 2024	**4,801.97**	**2,271.99**	**7,073.96**
Depreciation:			
As at 01 April, 2022	160.56	1,020.41	1,180.97
Depreciation for the year	16.86	330.79	347.65
Deductions / adjustments during the year	-	-	-
As at 31 March, 2023	177.42	1,351.20	1,528.62
Depreciation for the year	33.60	328.82	362.42
Deductions / adjustments during the year	-	(7.26)	(7.26)
As at 31 March, 2024	**211.02**	**1,672.76**	**1,883.78**
Carrying amount:			
As at 31 March, 2023	2,872.85	565.66	3,438.51
As at 31 March, 2024	**4,590.95**	**599.23**	**5,190.18**

Notes:

1. Lease contracts entered by the Group for land and buildings taken on lease to conduct business activity in ordinary course of business with tenure of leases upto 99 years.
2. Lease rent of ₹ 269.24 Lakhs (previous year: ₹ 150.76 Lakhs) is recognised in consolidated statement of profit and loss towards short-term lease and lease of low value assets. (Refer note 39)
3. Extension and termination options are included in some lease contracts. These are used to maximise operational flexibility in terms of managing assets and operations.
4. Lease Obligation, interest expense on lease maturity profile of lease obligation and payment of lease obligation are disclosed respectively in lease liabilities (refer note 23 & 26), Finance Costs (refer note 37), Liquidity risk (refer note 49) and Consolidated statement of cash flows.
5. The operating lease arrangements are cancellable subject to the stipulated notice period which generally does not exceed 3 months. Thus, management is of the view that there is no obligation to pay the agreed lease rentals in case of termination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 6 CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	10,744.32	21,023.40
Additions during the year	16,971.90	18,122.69
Capitalisation during the year	(18,499.23)	(28,401.77)
Balance at the end of the year	**9,216.99**	10,744.32

Notes:

1. The year end balance of capital work-in-progress primarily consist of mining liner and grinding media capacity expansion at Kerala GIDC, Ahmedabad.
2. Refer note 43 (b) for contractual commitments with respect to property, plant and equipment.

CWIP aging schedule As at 31 March, 2024

(₹ in Lakhs)

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	8,686.72	499.37	3.40	27.50	9,216.99
Projects temporarily suspended	-	-	-	-	-
Total	**8,686.72**	**499.37**	**3.40**	**27.50**	**9,216.99**

CWIP aging schedule As at 31 March, 2023

(₹ in Lakhs)

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	10,358.10	202.81	141.70	41.71	10,744.32
Projects temporarily suspended	-	-	-	-	-
Total	10,358.10	202.81	141.70	41.71	10,744.32

CWIP - Completion Schedule of capital working in progress as at 31 March, 2024

(₹ in Lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Completion is overdue:					
Kerala Mining Liner Project ((Phase III)	8,417.48	-	-	-	8,417.48
Kerala Grinding Media Project ((Phase III)	320.03	-	-	-	320.03
Completion is not overdue:					
Other Projects	479.48	-	-	-	479.48
Total	**9,216.99**	**-**	**-**	**-**	**9,216.99**

Note: Actual cost of the projects has not exceeded the estimated cost as per original plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 6 CAPITAL WORK-IN-PROGRESS (CONTD.)

CWIP - Completion Schedule of capital working in progress as at 31 March, 2023

(₹ in Lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
Completion is overdue:					
Kerala Mining Liner Project ((Phase II)	2,551.32	-	-	-	2,551.32
Kerala Grinding Media Project ((Phase III)	7,565.40	-	-	-	7,565.40
Completion is not overdue:					
Other Projects	627.60	-	-	-	627.60
Total	10,744.32	-	-	-	10,744.32

Note: Actual cost of the projects has not exceeded the estimated cost as per original plan.

NOTE 7 GOODWILL AND OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Other intangibles			Goodwill (refer note (a))	Goodwill on consolidation
	Software	Patents and Copyrights	Total		
Cost:					
As at 01 April, 2022	1,016.61	88.20	1,104.81	460.69	1,528.79
Additions during the year	106.27	16.42	122.69	-	-
Disposal / adjustments during the year	-	-	-	-	-
As at 31 March, 2023	1,122.88	104.62	1,227.50	460.69	1,528.79
Exchange differences on translation of foreign operations	-	-	-	-	
Additions during the year	77.90	17.29	95.19	-	-
Disposal / adjustments during the year	-	-	-	-	-
As at 31 March, 2024	**1,200.78**	**121.91**	**1,322.69**	**460.69**	**1,528.79**
Amortisation:					
Balance as at 01 April, 2022	794.82	26.16	820.98	-	-
Amortisation for the year	81.28	4.74	86.02	-	-
Disposal / adjustments during the year	-	-	-	-	-
As at 31 March, 2023	876.10	30.90	907.00	-	-
Amortisation for the year	85.27	5.68	90.95	-	-
Disposal / adjustments during the year	-	-	-	-	-
As at 31 March, 2024	**961.37**	**36.58**	**997.95**	**-**	**-**
Carrying amount:					
As at 31 March, 2023	246.78	73.72	320.50	460.69	1,528.79
As at 31 March, 2024	**239.41**	**85.33**	**324.74**	**460.69**	**1,528.79**

Note (a):

The Group tests goodwill for impairment annually and provides for impairment if the carrying amount of goodwill exceeds its recoverable amount. The recoverable amount is determined based on "value in use" calculations which is calculated as the net present value of forecasted cash flows of cash generating unit (CGU) to which the goodwill is related.

The Group believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash generating unit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 8 INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Non-current investments (unquoted)		
Investment in equity instruments of		
Joint Venture accounted for using equity method*		
129 (Previous year: NIL) equity shares of Vega MPS Pty. Ltd of face value AUD 1/- each, fully paid up	6,565.77	-
Others companies (unquoted)		
Measured at FVTPL		
(a) 25 (Previous year: 25) equity shares of Koramangala Properties Limited of face value ₹ 100/- each, fully paid up #	0.03	0.03
(b) 422,300 (Previous year: 422,300) equity shares of Arkay Energy (Rameswarm) Limited of face value ₹ 10/- each, fully paid up #	42.23	42.23
(c) 24,478 (Previous year: 24,478) equity shares of Clean Max Meridius Private Limited of face value ₹ 10/- each, fully paid up	41.40	37.63
	6,649.43	79.89
Aggregate amount of unquoted investments	6,649.43	79.89

The Holding Company's investment upon sale is only going to fetch the principle amount invested and hence the Company considers cost and fair value to be the same.

* During the year ended 31 March, 2024, Vega Industries (Middle East) FZC, UAE, ("VEGA ME"), a wholly owned subsidiary of the Company, has entered into a Share Purchase Agreement and Shareholder's Agreement on 03 August, 2023, with the promoters of Vega MPS Pty. Ltd.(VMPS), Australia, a newly incorporated company, created by promoters of MPS to acquire 30% stake in the business of Mining Products and Service Pty. Ltd., (MPS), Australia. The mining products business of MPS, Australia has been transferred to VMPS, Australia and VEGA ME has acquired 30% stake in VMPS Australia on 11 October, 2023, for a total consideration of AUD 7.86 million and has acquired 13% stake in VMPS, Australia on 15 February, 2024 for consideration of AUD 3.99 million. VEGA ME has an option to acquire additional 27% shares of VMPS, Australia over a period of 3 years.

(₹ in Lakhs)

Investment in Joint Venture accounted for using equity method	As at 31 March, 2024	As at 31 March, 2023
Percentage of ownership interest	43%	-
Non-current assets	111.44	-
Current assets	5,922.20	-
Non-current Liabilities	0.00	-
Current Liabilities	(5351.31)	-
Net assets	682.33	-
Group's share of net assets	293.40	-
Elimination of unrealised profit on downstream sales	(80.02)	-
Goodwill	6,038.24	-
Identifiable Intangible Assets - Non compete	314.15	-
Carrying amount of interest in joint venture	**6,565.77**	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 8 INVESTMENTS (CONTD.)

(₹ in Lakhs)

Investment in Joint Venture accounted for using equity method	As at 31 March, 2024	As at 31 March, 2023
Revenue	9,132.95	-
Deprecation and amortisation	6.49	-
Income tax expense	273.97	-
Profit	675.26	-
Total Comprehensive income	675.26	-
Group's share of profit (30% from 01 October to 13 February, 2024 and (43% from 14 February, 2024 onwards)	231.25	-
Elimination of unrealised profit on downstream sales	(80.02)	-
Group's share of total comprehensive income	**151.23**	**-**

NOTE 9 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Non-current trade receivables (unsecured)		
Considered good *	65.54	11.25
Significant increase in credit risk	-	-
Credit impaired	-	-
	65.54	11.25

Refer note 51 for ageing related disclosures.

* Trade receivables are hypothecated to secure working capital facilities from Banks (refer Note 25).

NOTE 10 LOANS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Non-current loans		
Loans to employees		
Secured, considered good	32.13	46.37
Unsecured, considered good	91.60	108.83
Inter corporate deposit (secured)#		
Others	12,500.00	12,500.00
	12,623.73	12,655.20

Amount has been given to a body corporate, for general corporate purpose repayable after 3 years at an interest rate of 10%(Previous Year 10%) per annum.

NOTE 11 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with bank in fixed deposit accounts (Maturity of more than 12 months from date of reporting)	40.15	10.95
Interest accrued on fixed deposits	-	0.57
Security deposits (unsecured, considered good)	754.08	673.55
	794.23	685.07

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 12 OTHER TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance income tax / tax deducted at source	4,267.75	4,386.17
	4,267.75	4,386.17

NOTE 13 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Capital advances	4,575.77	2,535.71
Others		
Balance with government authorities	6.48	101.62
Advance paid under protest	326.49	326.49
	4,908.74	2,963.82

NOTE 14 INVENTORIES *

(valued at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Raw materials	25,187.72	11,762.38
Raw materials in transit	1,276.71	4,945.10
Work-in-progress	22,157.68	23,076.38
Finished goods	60,872.30	71,943.56
Stores and spares	10,943.57	10,030.62
Stores and spares in transit	28.06	44.11
	1,20,466.04	1,21,802.15

* Inventories are hypothecated to secure working capital facilities from Banks (refer Note 25).

NOTE 15 INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current investments		
Measured at FVTPL		
Investment in mutual funds (quoted)	71,628.26	15,977.17
Investments in bonds (quoted)	38,906.03	36,368.18
Measured at FVTOCI		
Investment in bonds (quoted)	1,58,860.31	1,73,006.54
Investment in commercial paper (quoted)	19,574.78	-
Investment in government securities (quoted)	8,691.90	-
	2,97,661.28	2,25,351.89
Aggregate amount of quoted investments	2,97,661.28	2,25,351.89
Aggregate market value of quoted investments	2,97,661.28	2,25,351.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 16 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current trade receivables (unsecured)		
Considered good * #	88,031.33	86,083.65
Significant increase in credit risk	-	-
Credit impaired	53.66	105.59
	88,084.99	86,189.24
Less: Allowance for expected credit loss	(53.66)	(105.59)
	88,031.33	86,083.65

Refer note 52 for ageing related disclosures.

* Trade receivables are hypothecated to secure working capital facilities from Banks (refer Note 25).

Includes trade receivable from related parties (refer note 47 D).

The average credit period on sale of goods is 0 - 180 days.

NOTE 17 CASH AND BANK BALANCES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Cash and cash equivalents		
Balances with banks	16,999.52	30,720.34
Balances with banks in fixed deposit (Original maturity of less than 3 months)	1,000.38	-
Cash on hand	32.80	27.33
	18,032.70	30,747.67
Other bank balances		
Balances with bank in fixed deposit (Original maturity within 3 to 12 months)	35,937.95	49,315.45
Balances with bank in fixed deposit as a margin money Original maturity within 3 to 12 months)	757.15	523.92
Earmarked balances with banks (unpaid dividend) *	9.80	11.58
Earmarked balances with bank **	621.94	-
	37,326.84	49,850.95
	55,359.54	80,598.62

* The group can utilise these balances towards payment of unpaid dividend only.

** The Holding Company has made an Initial Public Announcement on 13 December, 2023, intending to acquire all the equity shares of its Subsidiary Company i.e. Welcast Steels Limited ("WSL") that are held by public shareholders and consequently voluntarily delist the equity shares of WSL from BSE Limited. The aforesaid voluntary delisting of equity shares has been approved by the Board of Directors of WSL on 18 December, 2023 and by the shareholders of WSL on 20 January, 2024. The in-principle approval has been received from BSE Limited on 26 April, 2024 and bidding window was opened from 07 May, 2024 to 13 May, 2024. As the Post Delisting Offer shareholding of the Company has not exceeded 90.00% of the total issued equity shares of WSL, the Delisting Offer is deemed to be unsuccessful in terms of Regulation 21 of the SEBI Delisting Regulations.The Holding Company has deposited the above mentioned amount in an escrow account as per the applicable requirements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 18 LOANS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current loans		
Loan to a minority shareholder (unsecured, considered good)	70.54	83.33
Loans to employees		
Secured, considered good	16.20	17.89
Unsecured, considered good	118.13	119.25
	204.87	220.47

NOTE 19 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balances with bank in fixed deposits (Original maturity more than 12 months)	21,456.49	-
Export incentives receivable	1,526.11	1,245.51
Interest accrued on fixed deposits	-	1,416.77
Security deposits (unsecured, considered good)	398.56	327.32
Derivatives	331.98	219.88
	23,713.14	3,209.48

NOTE 20 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advances other than capital advances		
Advance to a related parties (refer note 47 D)	-	16.25
Other Advances		
Advances to suppliers	5,724.80	5,049.50
Advances to employees	131.13	170.51
Others		
Balances with government authorities	7,435.17	7,709.88
Prepaid expenses	983.21	851.54
Prepaid leave encashment (refer note 42)	150.96	164.77
Prepaid Gratuity (refer note 42)	-	17.15
	14,425.27	13,979.60

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 21 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Authorised share capital		
230,000,000 (previous year: 230,000,000) equity shares of face value ₹ 2/- each	4,600.00	4,600.00
	4,600.00	4,600.00
Issued , subscribed & fully paid up share capital		
94,320,370 equity shares (previous year: 94,320,370) of face value ₹ 2/- each, fully paid up	1,886.41	1,886.41
	1,886.41	1,886.41

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

Particulars	31 March, 2024		31 March, 2023	
	No. of shares	Amount	No. of shares	Amount
Shares outstanding at the beginning of the year	9,43,20,370	1,886.41	9,43,20,370	1,886.41
Add: Changes during the year	-	-	-	-
Shares outstanding at the end of the year	**9,43,20,370**	**1,886.41**	9,43,20,370	1,886.41

(b) Rights, preferences and restrictions attached to equity shares:

The Group has only one class of equity share having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, which is approved by Board of Directors of the Group. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in proportion to their shareholding.

(c) The details of shareholders holding more than 5% shares are set out below :

Name of the shareholders	31 March, 2024		31 March, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Bhadresh K. Shah	5,51,28,901	58.45%	5,51,28,901	58.45%
Nalanda India Equity Fund Limited	91,27,809	9.68%	91,27,809	9.68%

(d) Shareholding of Promoters

Shares held by promoters at the end of the year 31 March, 2024

Promoter name	No. of Shares	% of total shares	% Change during the year
Bhadresh Kantilal Shah	5,51,28,901	58.45	-
Khushali Bhadreshbhai Shah	10,010	0.01	-
Bhumika Shyamal Shodhan	10,005	0.01	-
Gita Bhadresh Shah	5	0.00	-
Total	**5,51,48,921**	**58.47**	

Shares held by promoters at the end of the year 31 March, 2023

Promoter name	No. of Shares	% of total shares	% Change during the year
Bhadresh Kantilal Shah	5,51,28,901	58.45	-
Khushali Bhadreshbhai Shah	10,010	0.01	-
Bhumika Shyamal Shodhan	10,005	0.01	-
Gita Bhadresh Shah	5	0.00	-
Total	5,51,48,921	58.47	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 MARCH, 2024 (CONTD.)

NOTE 22 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Reserves and surplus		
(a) Securities premium		
Balance at the beginning of the year	26,873.88	26,854.32
Adjustment on account of translating the financial statements of foreign operations	3.89	19.56
Balance at the end of the year	26,877.77	26,873.88
(b). Capital redemption reserve		
Balance at the beginning and at end of the year	1,925.74	1,925.74
(c) Statutory reserve		
Balance at the beginning of the year	9.96	9.21
Adjustment on account of translating the financial statements of foreign operations	0.15	0.75
Balance at the end of the year	10.11	9.96
(d) General reserve		
Balance at the beginning and at end of the year	16,467.61	16,467.61
(e) Retained earnings		
Balance at the beginning of the year	5,32,065.61	4,34,843.58
Add: Profit for the year	1,13,557.33	1,05,592.89
Less: Remeasurement of defined benefit plan transferred from OCI	(24.27)	117.97
Less: Dividend on equity shares #	(15091.26)	(8,488.83)
Balance at the end of the year	6,30,507.41	5,32,065.61
Total reserves and surplus (A)	**6,75,788.64**	5,77,342.80
Other Comprehensive Income ('OCI')		
Items that will not be reclassified to statement of profit and loss		
(a) Remeasurement of defined benefit plan		
Balance at the beginning of the year	-	-
Recognised in consolidated statement of profit and loss	(35.36)	162.63
Tax impact on above [refer Note 40 (c)]	8.90	(40.93)
Less: Transferred to minority interest	2.19	(3.73)
Less: Transfer to retained earnings	24.27	(117.97)
Balance at the end of the year	-	-
Items that will be reclassified to statement of profit and loss		
(b) Cash flow hedge reserve:		
Balance at the beginning of the year	361.14	506.14
Recognised in consolidated statement of profit and loss		
Mark to market of hedging designated instruments and effective as hedges of future cash flow	112.09	335.86
Restatements of trade receivables to the extent of hedging	249.75	(529.63)
	361.84	(193.77)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 22 OTHER EQUITY (CONTD.)

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Effect of tax on above		
Tax on Mark to market of hedging designated instruments and effective as hedges of future cash flow [refer note 40(c)]	(28.22)	(84.53)
Tax on Restatements of trade receivables to the extent of hedging	(62.86)	133.30
Net tax in OCI	(91.08)	48.77
Balance at the end of the year	631.90	361.14
(c) Gain and losses on account of translating the financial statements of foreign operations		
Balance at the beginning of the year	(9,990.12)	(7,072.56)
Recognised in consolidated statement of profit and loss	(2,250.93)	(2,917.56)
Balance at the end of the year	(12,241.05)	(9,990.12)
(d) Fair value through other comprehensive income		
Balance at the beginning of the year	(467.63)	75.56
Recognised in statement of profit and loss	235.09	(725.87)
Tax impact on above	(59.17)	182.68
Balance at the end of the year	(291.71)	(467.63)
Total other comprehensive income (B)	**(11,900.86)**	(10,096.61)
Total other equity (A + B)	**6,63,887.78**	5,67,246.19

Note : Refer consolidated statement of changes in equity for nature and purpose of reserves.

(₹ in Lakhs)

# Dividend on equity shares paid during the year:	As at 31 March, 2024	As at 31 March, 2023
Final dividend for the financial year 2022-23 [₹ 16 (previous year: ₹ 9) per equity share of ₹ 2 each]	15,091.26	8,488.83

Note:

Board of Directors of the Holding Company have proposed final dividend of ₹ 16 per equity share for the financial year 2023-24. Proposed dividend on equity shares are subject to approval at the Annual General Meeting and hence not recognised as a liability as at 31 March, 2024. No interim dividend was declared and paid during the financial year 2023-24.

NOTE 23 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Non-current Lease liabilities	340.50	299.59
	340.50	299.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 MARCH, 2024 (CONTD.)

NOTE 24 PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Non-current provisions		
Provision for warranties	1,410.35	1,082.13
Provision for employee benefits (refer note 42)		
Gratuity	251.68	178.20
Leave encashment	44.47	48.30
	1,706.50	1,308.63

Movement in Provisions	Provision for Warranties		Provision for Litigations *	
	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
Balance at the beginning of the year	1,548.82	1,727.50	206.42	-
Utilisation during the year	(44.34)	(20.24)	-	-
Provision for the year # (net of provision written back)	481.08	405.43	-	206.42
Exchange differences on translation of foreign operations	14.62	75.92	-	-
Written back during the period	(161.71)	(639.80)	(206.42)	-
Balance at the end of the year	**1,838.47**	1,548.82	-	206.42
Non-current	1,410.35	1,082.13	-	-
Current (refer note 30)	428.12	466.69	-	206.42
	1,838.47	1,548.82	-	206.42

'The group provides standard warranty to all its customers for any manufacturing defects in the products sold by the group. Generally, the time period of warranty is linked to the hours which have been assured by the group towards performance of the product under normal mill operation. Based on evaluation made by Holding Company's technical team and the historic experience of claims, the group provides for warranty at the rate of 0.10% of sales for the year and is carried in the books for a period upto 4 years.

* Provision for litigation written back pertains to reversal of provision of earlier year for service tax demand and interest thereon amounting to ₹ 206.42 Lakhs of Welcast Steels Ltd. consequent to favourable order received from Tribunal (CESTAT) on 08 September, 2023.

NOTE 25 BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current borrowings		
Loans repayable on demand		
Secured	7,723.90	7,700.00
Unsecured	37,735.60	41,900.00
	45,459.50	49,600.00

Borrowing based on security of current assets:

1. Group has obtained various borrowings from banks on basis of security of current assets wherein the quarterly returns/ statements of current assets as filed with banks are in agreement with the books of accounts.
2. Secured Export Packing Credit ('EPC') facilities are availed from State Bank of India carrying interest rate ranging from 5.40% to 5.70% during the year (Previous Year 3.80% to 5.60%) against first charge over entire current assets of the Company including stock of raw material, work in process, finished goods, stores and spares and goods in transit.
3. Unsecured Export Packing Credit ('EPC') facilities are availed from Citi Bank N.A. carrying interest rate ranging from 5.28% to 5.69% during the year (Previous Year 2.20% to 5.65%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 25 BORROWINGS (CONTD.)

4. Unsecured Export Packing Credit ('EPC') facilities are availed from JP Morgan carrying interest rate ranging from 5.57% to 5.89% during the year (Previous Year 2.35% to 5.64%)

5. Unsecured Export Packing Credit ('EPC') facilities are availed from HDFC Bank Ltd. carrying interest rate ranging from 5.35% to 6.00% during the year (Previous Year Nil)

NOTE 26 LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current lease liabilities	306.02	355.55
	306.02	355.55

NOTE 27 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
(a) Total outstanding dues of micro enterprises and small enterprises #	2,061.72	2,664.80
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Due to related parties [refer note 47 D]	346.02	226.16
(ii) Due to others	15,455.79	23,246.00
	15,801.81	23,472.16
	17,863.53	26,136.96

Refer note 53 for ageing related disclosures.

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31 March is provided as under to the extent the group has received intimation from the "Suppliers" regarding their status under the Act.

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act):		
(a) Principal amount remaining unpaid to any supplier as at the end of the year (refer note 28)	2,235.01	3,104.15
Interest due thereon remaining unpaid to any supplier as at the end of the year	0.55	0.30
(b) Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	0.30
(e) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 28 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Salary, wages and bonus payable (refer note 47 D)	1,556.49	1,497.50
Unpaid dividends *	9.80	11.58
Interest accrued on borrowings	-	57.33
Capital creditors#	901.45	779.04
Amount received under channel financing arrangement	218.84	-
Other payables	40.52	40.52
	2,727.10	2,385.97

* There is no amount due to be transferred to Investor Education and Protection Fund.

The balance includes outstanding dues of micro enterprises and small enterprises of ₹ 173.29 Lakhs as at 31 March, 2024 (₹ 439.65 Lakhs as at 31 March, 2023)

Refer Note 27 for Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

NOTE 29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Contract liabilities		
Customer advances (refer note 47 D)	4,778.58	5,411.67
Others		
Fund held in corpus donation	138.51	142.62
Security deposits	1.01	21.12
Statutory dues and other payables	645.52	822.15
	5,563.62	6,397.56

NOTE 30 PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current provisions		
Provision for warranties (refer note 24)	428.12	466.69
Provision for employee benefits (refer note 42)		
Gratuity	264.91	119.46
Leave encashment	27.48	15.42
Provision for litigations (refer note 24)	-	206.42
	720.51	807.99

NOTE 31 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for income tax (net)	2,217.11	1,815.17
	2,217.11	1,815.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 32 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Sale of products		
Export sales	3,39,753.93	3,52,859.12
Domestic sales	1,37,428.33	1,30,943.36
	4,77,182.26	4,83,802.48
Other operating revenue		
Export incentives	7,027.24	5,697.71
Other sales	1,166.63	1,376.68
	8,193.87	7,074.39
	4,85,376.13	4,90,876.87

Disclosures pursuant to Indian Accounting Standard (Ind AS) 115 - Revenue from Contract with Customers

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Reconciliation of revenue from operations with the contracted price:		
Contracted price	4,77,738.04	4,83,892.91
Adjustments :		
- Discounts	(476.38)	(77.56)
- Sales return	(79.40)	(12.87)
Sale of products	4,77,182.26	4,83,802.48
Other operating revenue	8,193.87	7,074.39
Revenue from operations	**4,85,376.13**	4,90,876.87
Revenue disaggregation by geography:		
India	1,45,622.20	1,38,017.75
Outside India :		
Australia	48,539.49	57,303.12
United States of America	56,539.80	58,361.05
Others	2,34,674.64	2,37,194.95
	4,85,376.13	4,90,876.87

Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade receivables	88,096.87	86,094.90
Contract assets	-	-
Contract liabilities		
Advance from customers	4,778.58	5,411.67

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 33 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest income from financial assets		
Interest income from financial assets measured at amortised cost	7,466.95	3,297.84
Interest income from financial assets measured at FVTPL	264.13	276.49
Interest income from financial assets measured at FVTOCI	12,054.49	7,134.88
Interest income on refund of income tax	1.42	-
Other non-operating income		
Gain on sale of current investments	915.60	1,073.13
Gain on foreign exchange fluctuation (net)	2,362.77	9,973.90
Change in fair value of current investments	4,440.16	1,195.64
Allowance for expected credit loss written back (net)	52.01	40.23
Net loss on sale of property, plant and equipment / termination of leases	-	16.92
Liabilities / provision no longer required written back	429.87	-
Provision for warranties written back (net)	-	234.36
Miscellaneous receipts	152.72	210.55
	28,140.12	23,453.94

NOTE 34 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening stock at the beginning of the year	16,707.48	18,084.37
Add: Purchases during the year	2,05,450.78	2,02,699.11
Less: Closing stock at the end of the year	(26464.43)	(16707.48)
	1,95,693.83	2,04,076.00

NOTE 35 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Opening stock:		
Work-in-progress	23,076.38	18,056.58
Finished goods	71,943.56	76,874.38
	95,019.94	94,930.96
Closing stock:		
Work-in-progress	22,157.68	23,076.38
Finished goods	60,872.30	71,943.56
	83,029.98	95,019.94
Exchange differences on translation of foreign operations	418.64	(2,595.00)
	11,571.32	2,506.02

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 36 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Salaries, wages and bonus	15,386.37	13,611.41
Contribution to provident and other funds	730.96	638.05
Expenses related to post employment defined benefit plans [refer note 42 (iv)]	288.93	291.72
Staff welfare expenses	734.03	648.98
	17,140.29	15,190.16

NOTE 37 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Interest on:		
Bank borrowings measured at amortised cost	2,761.65	1,567.52
Income-tax	-	219.45
Lease liabilities	53.80	58.47
Others	22.42	164.95
	2,837.87	2,010.39

NOTE 38 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Depreciation of property, plant and equipment (refer note 4)	9,573.78	8,870.34
Depreciation of Right of use assets (refer note 5)	362.42	347.65
Amortisation of intangible assets (refer note 7)	90.95	86.02
	10,027.15	9,304.01

NOTE 39 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Consumption of stores	29,791.29	31,534.80
Power and fuel	36,027.94	37,659.43
Contract labour charges	8,980.35	7,602.38
Repairs and maintenance		
- Buildings	351.58	261.16
- Plant and machineries	1,214.13	1,205.41
- Others	890.59	836.39
Lease rent (refer Note 5)	269.24	150.76
Insurance	1,113.01	1,028.34
Rates and taxes	207.04	231.53
Security expenses	745.11	586.82
Printing, stationery and communication expenses	331.74	291.84
Travelling and conveyance	3,753.91	2,510.48
Advertisement and sales promotion	115.82	116.99
Freight outward expenses (including duties)	28,122.99	47,654.25
Royalty expenses	320.72	700.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 39 OTHER EXPENSES (CONTD.)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Commission expenses	6,246.33	5,325.33
Warranty expenses	319.37	-
Directors' sitting fees	20.65	14.70
Payments to auditors		
- Statutory audit fees	122.86	122.51
- Quarterly Limited reviews	29.50	27.85
- Certification and other services	5.00	3.80
- Reimbursement of expenses	3.09	2.89
Legal and professional consultancy fees	5,330.31	4,616.19
Bank commission charges	505.23	473.28
Donation	2.48	1.02
Corporate social responsibility expenses	1,652.11	1,289.32
Net loss on sale of property, plant and equipment / termination of leases	145.19	-
Bad debts	26.37	82.57
Other miscellaneous expenses	951.15	709.91
	1,27,595.10	1,45,040.61

NOTE 40 TAX EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
(a) Tax expense		
Provision for current tax	32,750.09	29,872.66
Short provision for current tax of earlier years written back	640.46	539.97
Net deferred tax [refer note 40(c)]	1,712.13	140.96
Tax expense for the year	**35,102.68**	30,553.59
(b) Deferred tax *		
Deferred tax liabilities		
Difference between written down value of property, plant and equipments and other intangible assets as per books of account and Income-tax, Act 1961	7,357.66	5,601.19
Change in fair value of current investments	619.28	560.11
Hedge reserve balance	83.51	55.29
Foreign currency translation reserve	(2.15)	0.39
	8,058.30	6,216.98
Deferred tax assets		
Difference between written down value of property, plant and equipments and other intangible assets as per books of account and Income-tax, Act 1961	8.49	7.21
Unrealised profit on intra group inventory	2,314.92	2,220.92
Others	25.17	76.11
	2,348.58	2,304.24
Deferred tax liabilities (net) [refer note 40(c)]	**5,709.72**	3,912.74

* A new corporate tax regime has been put in place in UAE which would be applicable to Vega ME w.e.f. 01 April, 2024. However, basis a preliminary assessment carried out by Vega ME management, this new tax regime is not expected to have a material impact on the Company and hence no deferred tax has been recognised in Vega ME's financials as at 31 March, 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 40 TAX EXPENSES (CONTD.)

(c) Movement in deferred tax

(₹ in Lakhs)

Particulars	Opening balance as at 01 April	Consolidated Statement of profit and loss	Other comprehensive income	Closing balance as at 31 March
2023-24				
Deferred tax liabilities				
Difference between written down value of property, plant and equipments and other intangible assets as per books of account and Income-tax, Act 1961	5,601.19	1,756.47	-	7,357.66
Foreign currency translation reserve	0.39	-	(2.54)	(2.15)
Change in fair value of current investments	560.11	-	59.17	619.28
Hedge reserve balance	55.29	-	28.22	83.51
	6,216.98	**1,756.47**	**84.85**	**8,058.30**
Deferred tax assets				
Difference between written down value of property, plant and equipments and other intangible assets as per books of account and Income-tax, Act 1961	7.21	1.28	-	8.49
Unrealised profit on intra group inventory	2,220.92	94.00	-	2,314.92
Others	76.11	(50.94)	-	25.17
	2,304.24	**44.34**	**-**	**2,348.58**
Deferred tax liabilities (net)	**3,912.74**	**1,712.13**	**84.85**	**5,709.72**

(₹ in Lakhs)

Particulars	Opening balance as at 01 April	Consolidated Statement of profit and loss	Other comprehensive income	Closing balance as at 31 March
2022-23				
Deferred tax liabilities				
Difference between written down value of property, plant and equipments and other intangible assets as per books of account and Income-tax, Act 1961	5,116.82	484.37	-	5,601.19
Foreign currency translation reserve	-	-	0.39	0.39
Change in fair value of current investments	721.95	20.84	(182.68)	560.11
Hedge reserve balance	-	-	55.29	55.29
	5,838.77	505.21	(127.00)	6,216.98
Deferred tax assets				
Difference between written down value of property, plant and equipments and other intangible assets as per books of account and Income-tax, Act 1961	8.73	(1.52)	-	7.21
Unrealised profit on intra-group inventory	1,903.53	317.39	-	2,220.92
Hedge reserve balance	29.24	-	(29.24)	-
Others	27.73	48.38	-	76.11
	1,969.23	364.25	(29.24)	2,304.24
Deferred tax liabilities (net)	3,869.54	140.96	(97.76)	3,912.74

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 40 TAX EXPENSES (CONTD.)

(d) Effective tax reconciliation

Reconciliation of the tax expense (i.e., current tax and deferred tax) amount considering the enacted Income tax rate and effective Income tax rate of the Group is as follows:

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Profit before tax for the year	1,48,801.92	1,36,203.62
Tax at statutory income tax rate of 25.168% (previous year: 25.168%) in India	37,450.47	34,279.73
Adjustments:		
Tax component of unrecognised unabsorbed losses of earlier years	-	(91.80)
Income from long term / short term investment taxed at lower rate	(161.47)	(306.89)
Non-deductible expenses for tax purposes	416.50	369.68
Difference in tax rate of subsidiary companies	(3,111.22)	(3,919.71)
Share of profit of joint venture, Net of Tax	(38.06)	-
Tax impact on intra-group stock reserve	(94.00)	(317.39)
Short / (Excess) provision for tax of earlier years	640.46	539.97
Tax expense reported in the consolidated statement of profit and loss	**35,102.68**	30,553.59

The Group has ongoing disputes with Income tax authorities relating to tax treatment of certain items. These amounts have been disclosed as contingent liabilities (refer Note 43).

NOTE 41 EARNINGS PER SHARE

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Net profit attributable to the equity shareholders (₹ in Lakhs)	1,13,557.33	1,05,592.89
Weighted average number of equity shares outstanding during the period (nos.)	9,43,20,370	9,43,20,370
Nominal value of equity share (₹)	2.00	2.00
Basic and diluted earnings per share (₹)	120.40	111.95

NOTE 42 EMPLOYEE BENEFITS

The group has the following post-employment benefit plans:

A. Defined contribution plan

Contribution to defined contribution plan, recognised as expense for the year is as under:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Employer's contribution to provident and other funds	608.53	626.67

B. Defined benefit plans

Gratuity: The employees' gratuity fund scheme of the Holding Company is funded with Life Insurance Corporation of India and managed by a Trust, for subsidiary company incorporated in India, it is funded with Life Insurance Corporation of India and for one wholly owned overseas subsidiary company it is unfunded. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 42 EMPLOYEE BENEFITS (CONTD.)

The benefits in India are governed by the Payment of Gratuity Act, 1972. The key features are as under :

Benefits offered	15 / 26 x salary x duration of service
Salary definition	Basic salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of ₹ 20 Lakhs is not applied
Vesting conditions	5 years of continuous service (not applicable in case of death / disability)
Benefit eligibility	Upon death or resignation / withdrawal or retirement
Retirement age	58, 60, 62, 65 or 75 years

(i) Risks associated to the defined benefit plans:

a. Actuarial risk: Risks due to adverse salary growth / Variability in mortality and withdrawal rates.

b. Investment risk: Risks due to significant changes in discounting rate during the inter-valuation period.

c. Liquidity risk: Risks on account of Employees resign/retire from the Group and as result strain on the cash flow arises.

d. Market risk: Risks related to changes and fluctuation of the financial markets and assumption depends on the yields on government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

e. Legislative risk: Risks of increase in the plan liabilities or reduction in plan assets due to change in legislation.

(ii) Reconciliation of opening and closing balances of defined benefit obligation:

(₹ in Lakhs)

Particulars	Gratuity (funded)		Gratuity (Unfunded)#	
	2023-24	2022-23	2023-24	2022-23
Defined benefit obligation at the beginning of the year	3,599.89	3,519.37	209.65	168.66
Recognised in consolidated statement of profit and loss:				
Current service cost	253.98	246.41	39.06	40.99
Past service cost	-	5.94	-	-
Interest cost	252.83	220.40	-	-
Actuarial (gain) / loss recognised in other comprehensive income:				
Due to change in financial assumptions	84.66	(166.71)	-	-
Due to change in demographic assumptions	-	-	-	-
Due to experience adjustments	(28.56)	10.69	-	-
Benefits paid from Plan asset	(165.26)	(199.25)	-	-
Benefits directly paid by group	-	(36.96)	-	-
Adjustment on account of translating the financial statements of foreign operations	-	-	2.97	-
Defined benefit obligation at the end of the year	**3,997.54**	3,599.89	**251.68**	209.65

(iii) Reconciliation of opening and closing balances of fair value of plan assets:

(₹ in Lakhs)

Particulars	Gratuity (funded)		Gratuity (Unfunded)#	
	2023-24	2022-23	2023-24	2022-23
Fair value of plan assets at the beginning of the year	3,529.03	3,420.05	-	-
Transfer in\(out) plan assets	-	-	-	-
Interest income	256.94	222.02	-	-
Return on plan assets excluding amounts included in interest income	20.74	6.61	-	-
Contributions by the employer	91.18	134.26	-	-
Benefits paid	(165.26)	(253.91)	-	-
Fair value of plan assets at the end of the year	**3,732.63**	3,529.03	-	-
Actual return on plan assets	277.68	228.63	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 42 EMPLOYEE BENEFITS (CONTD.)

(iv) Expense recognised during the year:

(₹ in Lakhs)

Particulars	Gratuity (funded)		Gratuity (Unfunded)#	
	2023-24	2022-23	2023-24	2022-23
Current service cost	253.98	246.41	39.06	40.99
Past service cost	-	5.94	-	-
Net interest cost	(4.11)	(1.62)	-	-
Net cost recognised in consolidated statement of profit and loss	**249.87**	250.73	**39.06**	40.99
Components of actuarial gains / (losses):				
Due to change in financial assumptions	84.66	(166.71)	-	-
Due to change in demographic assumptions	-	-	-	-
Due to experience adjustments	(28.56)	10.69	-	-
Return on plan assets excluding amounts included in interest income	(20.74)	(6.61)	-	-
Net cost recognised in other comprehensive income	**35.36**	(162.63)	-	-

(v) Reconciliation of fair value of assets and obligations:

(₹ in Lakhs)

Particulars	Gratuity (funded)		Gratuity (Unfunded)#	
	2023-24	2022-23	2023-24	2022-23
Present value of obligation	3,997.54	3,599.89	251.68	209.65
Fair value of plan assets	3,732.63	3,529.03	-	-
Net defined benefit liability at end of the year*	**264.91**	70.86	**251.68**	209.65

*Net defined benefit liability as at 31 March, 2024 is net of Liability of ₹ 516.59 Lakhs (previous year - ₹ 88.01 Lakhs) and advance paid of ₹ Nil (previous year - ₹ 17.15 Lakhs)

(vi) Composition of plan assets:

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	2023-24	2022-23
Investment funds		
Insurance policies	100%	100%

(vii) Key actuarial assumptions:

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	2023-24	2022-23
Financial assumptions		
Discount rate	7.20%	7.40% - 7.45%
Expected rate of return on plan assets	7.20%	7.40% - 7.45%
Salary growth rate	7.00% - 8.50%	7.00% - 8.50%
Weighted average duration (in years)	6.08 to 9.06	6.56 to 9.25
Demographic assumptions		
Withdrawal rate	5% - 10% at younger ages reducing to 1% at older ages	
Mortality table	Indian assured lives mortality (2012-14)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 42 EMPLOYEE BENEFITS (CONTD.)

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and respective Group's policy for plan assets management.

(viii) Sensitivity analysis:

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Impact on defined benefit obligations - Gratuity:

(₹ in Lakhs)

Particulars	Increase in assumption		Decrease in assumption	
	2023-24	2022-23	2023-24	2022-23
Discount rate				
Change in assumption by 0.50%	(4.20%)	(3.99%)	4.54%	4.92%
Salary growth rate				
Change in assumption by 0.50%	4.44%	4.83%	(4.16%)	(3.95%)
Withdrawal rate				
Change in assumption by 0.10%	(0.16%)	0.16%	0.16%	0.42%

The Methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(ix) Maturity profile of the defined benefit obligation:

(₹ in Lakhs)

Particulars	Gratuity (funded)	
	2023-24	2022-23
Age wise distribution of defined benefit obligation		
Age in years		
Less than 25	2.97	3.67
25 to 35	232.00	240.31
35 to 45	1,188.77	1,037.88
45 to 55	1,261.24	1,186.09
above 55	1,312.56	1,131.94
	3,997.54	3,599.89
Past service wise distribution of defined benefit obligation		
Service period in years		
0 to 4	55.23	57.09
4 to 10	291.91	252.60
10 to 15	618.47	723.27
15 and above	3,031.92	2,566.93
	3,997.53	3,599.89

Gratuity (unfunded) represents defined benefit plan in a wholly owned overseas subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 42 EMPLOYEE BENEFITS (CONTD.)

C. Other long-term employee benefits

Leave encashment: The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The benefits are governed by the Holding Company's leave policy. The key features are as under :

Salary for encashment	Basic salary
Salary for availment	Cost to Group
Benefit event	Death or resignation or retirement or availment
Maximum accumulation	98
Benefit Formula	(Leave days) x (Basic salary) / (Leave denominator)
Leave denominator	30
Leave credited annually	30
Retirement age	58, 60, 62, 65 or 75 years

Key actuarial assumptions:

(₹ in Lakhs)

Particulars	Leave encashment (funded)	
	2023-24	2022-23
Financial assumptions		
Discount rate	7.20%	7.40% - 7.45%
Expected rate of return on plan assets	7.20%	7.40% - 7.45%
Salary growth rate	7.00% - 8.50%	7.00% - 8.50%
Demographic assumptions		
Withdrawal rate	5% - 10% at younger ages reducing to 1% at older ages	
Mortality table	Indian assured lives mortality (2012-14)	

Leave encashment expenses recognised during the year in the consolidated statement of profit and loss amounts to ₹ 218.10 Lakhs (previous year ₹ 123.19 Lakhs).

D. Estimate of contributions expected to be paid during financial year 2024-25 is as under:

(i) Defined contribution plan:	
(a) Employer's contribution to provident fund	12% of salary
(ii) Defined benefit plan:	
(a) Gratuity	264.91
(b) Gratuity (Unfunded)	37.75
	302.66
(iii) Other long-term employee benefits	
(a) Leave encashment	27.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 43 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
(a) Contingent liabilities		
Claims against the group not acknowledged as debts:		
Central Excise, Service tax and Goods and Services tax	205.25	117.74
Custom duty related dispute (Decision is received in favor of group in high court and Department has appealed decision of high court in Supreme Court)	1,100.84	1,056.52
Income tax		
In High Court (Decision is received in favor of group in ITAT and Income Tax Department has appealed decision of ITAT in High Court)	11,473.81	11,473.81
In Income Tax Appellate Tribunal (ITAT)	219.21	-
In Commissioner of Income tax (CIT)	21,598.60	15,797.31
Total Income tax	**33,291.62**	27,271.12
Sales tax / VAT	21.70	18.63
Guarantees:		
Outstanding bank guarantees	15,798.40	14,979.51
Outstanding corporate guarantees given to customers / subsidiaries	2,190.34	1,063.26
Letter of Credit	924.13	1,076.93
Others matters including claims related to ESIC, Electricity and Ex-employees	861.19	836.83
Charter of demands made by one of the labour union, pending for disposal at Industrial Tribunal (labour court), Bangalore.	no reliable estimate can be made	
	54,393.47	46,420.54
(b) Capital commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	5,422.85	10,223.50
	5,422.85	10,223.50

Notes:

(i) Most of the issues of litigation pertaining to Central Excise / Service tax / Income tax (including transfer pricing matters) are based on interpretation of the respective law & rules thereunder. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgements of respective judicial authorities which supports its contention. Further, in several matters, the management has successfully defended their case at lower forums of adjudication. Accordingly, the management do not envisage any material impact on the consolidated financial statements of the Group.

(ii) Sales tax/VAT related litigation/demand primarily pertains to non submission of required declaration forms in time due to non-receipt of the same from customers and / or some interpretation related issues. However in most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.

(iii) Pending resolution of the respective proceedings, it is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/ decisions pending with various forums/ authorities.

NOTE 44 RELATIONSHIP WITH STRUCK OFF COMPANIES:

(₹ in Lakhs)

Name of struck of companies	Nature of transaction	Gross Balance Outstanding		Relationship with struck off group
		31 March, 2024	31 March, 2023	
Grippon Profiles & Engg Private Limited (Advance was given in Mar - 2014 and legal case is filed against vendor)	Purchase	**4.43**	4.43	None

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 45 ANTI-DUMPING DUTY

Canada : During the year, the Canada Border Services Agency, after completing the re-investigation review, has notified a schedule for duties for imports and revised normal value of high chrome Grinding Media (manufactured by the Company in India) into Canada. As per the Order, no anti-dumping duty is leviable if the FOB Value of the goods is above the prescribed prices for certain defined grades and it will be 15.70% for grades other than those specifically defined in the Order. A separate Countervailing Duty of ₹ 3874 per MT continues to be levied on all imports of defined Grinding Media.

Brazil : During the year, The Department of Trade Defense (DECOM), Brazil, has initiated a sun set review of the prevailing anti-dumping duty on grinding media imported into Brazil from India. The Company has submitted its response and the final Order is currently awaited. The Department of Trade Defense (DECOM), Brazil, has initiated a sun set review of the prevailing Countervailing duty on grinding media imported into Brazil from India. The Company is in the process of submitting its response.

USA : Subsequent to 31 March, 2024, the Holding Company and VEGA USA have received a notice from the United States International Trade Commission, seeking some information from the Holding Company and VEGA USA, in relation to the investigations around alleged dumping and subsidising of certain grinding media from India based on complaint filed by Magotteux Inc. The Holding Company and VEGA USA are in the process of taking the required steps for defending the matter in due course.

NOTE 46 (A)

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 and it's subsidiaries incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Holding Company and it's subsidiaries incorporated in India (Ultimate Beneficiaries). The Holding Company and it's subsidiaries incorporated in India has not received any fund from any party(s) (Funding Party) with the understanding that the Holding Company and it's subsidiaries incorporated in India shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Holding Company and it's subsidiaries incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE 46 (B)

In accordance with the requirements stipulated under the provisions of Companies Act, 2013 for maintenance of Audit Trail for books of accounts with effect from 01 April, 2023, the Holding Company has enabled the Audit Trail feature at the application level of Accounting Software SAP, except for a few fields/tables pertaining to revenue, purchase and other processes which were inadvertently not enabled but which the management is in the process of updating the system settings to enable this, going forward.

Further, in as much as enabling the feature of recording Audit Trail at the data base level to log any direct data changes, the Holding Company is in the process of discussing the feasibility of doing so with the SAP and other service providers so as to evaluate measures that can be put in place to enable the Audit Trail at the data base level.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 47 RELATED PARTY DISCLOSURES

A List of related parties:

(i) Key managerial personnel ('KMP'):

Sr. no.	Name	Designation
KMP of Holding company:		
1	Mr. Rajendra S. Shah	Chairman
2	Mr. Bhadresh K. Shah #	Managing Director
3	Mr. Yashwant M. Patel	Whole-time Director
KMP of subsidiary companies:		
1	Mr. D. P. Dhanuka	Chairman, Welcast Steels Limited
2	Mr. Mohona Rao VVR	Chief Executive Officer, Welcast Steels Limited
3	Mr. Jerry Andersson	Chief Executive Officer and Director, Vega Industries (Middle East) F.Z.C.
4	Mr. Paryank R. Shah	Director, Vega Industries (Middle East) F.Z.C. and its subsidiaries
5	Mr. R. A. Gilani	
6	Mr. Himanshu K. Patel	
7	Mr. David Hurlock	
8	Mr. Vivek S. Rathaur	

Controlling party. Refer Note 21 for shareholding pattern.

(ii) Independent directors:

Sr. no.	Name	Company
1	Mr. Rajendra S. Shah	AIA Engineering Limited
2	Mr. Sanjay S. Majmudar	
3	Mr. Dileep C. Choksi	
4	Mr. Rajan Harivallabhdas	
5	Mrs. Janaki Udayanbhai Shah	
6	Mr. D. P. Dhanuka	Welcast Steels Limited
7	Mr. Pradip R. Shah	
8	Mr. Sanjay S. Majmudar	
9	Mr. Rajendra S. Shah (Upto 13 October, 2022)	
10	Mr. Ashok A. Nichani	

(iii) Others:

Sr. no.	Name	Relationship
1	AIA Employee's Gratuity Trust Fund, India	Post employment benefit plan of AIA Engineering Limited
2	Welcast Steels Employees Gratuity fund trust, India	Post employment benefit plan of Welcast Steels Limited
3	Vega MPS Pty. Ltd	Joint Venture of Vega Industries (Middle East) F.Z.C.
4	Mrs. Giraben K. Shah	Relatives of key managerial personnel
5	Mrs. Gitaben B. Shah	
6	Mrs. Khushali Samip Solanki *	
7	Mrs. Bhumika Shyamal Shodhan *	
8	Mrs. Tayaramma	
9	AB Tradelink Private Limited	Enterprise over which key managerial personnel or close member of their family exercise control
10	Vee Connect Travels Private Limited	
11	Discus IT Private Limited	
13	Harsha Engineers International Limited	

* Non-executive director of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 47 RELATED PARTY DISCLOSURES (CONTD.)

B Details of related party transactions during the year.

(₹ in Lakhs)

Sr. no.	Nature of transaction	Joint Venture		Key Managerial Personnel		Independent Directors		Enterprise over which key managerial personnel or close member of their family exercise control		Relatives of key managerial personnel		Post employment benefit plan of the Group	
		31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
1	Sale of products (inclusive of taxes)	3,425.52	-	-	-	-	-	27,100.98	23,884.97	-	-	-	-
2	Purchase of goods (inclusive of taxes)	-	-	-	-	-	-	4,062.24	4,477.01	-	-	-	-
3	Commission expense on purchases	-	-	-	-	-	-	110.44	90.35	-	-	-	-
4	SAP ERP functional and technical support	-	-	-	-	-	-	99.34	94.58	-	-	-	-
5	Salary, bonus and perquisites	-	-	34.34	32.90	-	-	-	-	1.54	1.54	-	-
6	Contribution to gratuity fund	-	-	-	-	-	-	-	-	-	-	91.18	171.22
7	Rent, rates and taxes	-	-	-	-	-	-	-	-	6.42	6.06	-	-
8	Travelling expenses	-	-	-	-	-	-	493.35	354.54	-	-	-	-
9	Directors' remuneration and perquisites	-	-	725.50	737.65	-	-	-	-	-	-	-	-
10	Sitting fees paid	-	-	1.25	1.00	15.20	11.75	-	-	4.20	1.95	-	-
11	Commission to Director	-	-	-	-	22.00	22.00	-	-	18.00	18.00	-	-
12	Reimbursement received from gratuity fund	-	-	-	-	-	-	-	-	-	-	-	54.59
		3,425.52	-	**761.09**	771.55	**37.20**	33.75	**31,866.35**	28,901.45	**30.16**	27.55	**91.18**	225.81
Outstanding balance receivable at year end		**-**	-	**-**	-	**-**	-	**2,193.15**	9,579.27	**-**	-	**-**	17.15
Outstanding balance payable at year end		**913.90**	-	**11.05**	11.25	**19.80**	19.80	**325.81**	204.35	**0.41**	0.41	**264.91**	96.21

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 47 RELATED PARTY DISCLOSURES (CONTD.)

C Disclosures in respect of transactions with related parties during the year:

(₹ in Lakhs)

Sr. no.	Nature of transaction	Name of related party	31 March, 2024	31 March, 2023
1	Sale of products (inclusive of taxes)	AB Tradelink Private Limited	27,100.98	23,884.97
		Vega MPS Pty Ltd	3,425.52	-
2	Purchase of goods (inclusive of taxes)	Harsha Engineers International Limited	4,062.24	4,477.01
3	Commission expense on purchases	AB Tradelink Private Limited	110.44	90.35
4	SAP ERP functional and technical support	Discus IT Private Limited	99.34	94.58
5	Salary, bonus and perquisites	Mrs. Gitaben B. Shah	1.54	1.54
		Mr. Mohona Rao VVR	34.34	32.90
6	Contribution to gratuity fund	AIA Employee's Gratuity Trust Fund	88.01	133.46
		Welcast Steels Employees Gratuity fund trust	3.17	37.76
7	Rent, rates and taxes	Mrs. Giraben K. Shah	4.22	4.22
		Mrs. Tayaramma	2.20	1.84
8	Travelling expenses	Vee Connect Travel Private Limited	493.35	354.54
9	Directors' remuneration and perquisites	Mr. Bhadresh K. Shah	128.98	111.12
		Mr. Yashwant M. Patel	30.32	30.32
		Mr. Paryank R. Shah	84.38	81.91
		Mr. R. A. Gilani	117.54	136.35
		Mr. Himanshu K. Patel	109.83	101.04
		Mr. David Hurlock	94.78	84.45
		Mr. Jerry Andersson	211.99	238.36
		Mr. Vivek S. Rathore	42.46	38.55
10	Sitting fees paid	Mr. Rajendra S. Shah	2.60	2.25
		Mr. Bhadresh K. Shah	1.25	1.00
		Mr. Sanjay S. Majmudar	3.60	2.75
		Mr. Dileep C. Choksi	1.45	1.00
		Mr. Rajan Harivallabhdas	2.20	1.75
		Mrs. Janaki Udayanbhai Shah	1.60	1.00
		Mrs. Khushali Samip Solanki	2.35	0.95
		Mrs. Bhumika Shyamal Shodhan	1.85	1.00
		Mr. D.P Dhanuka	1.25	1.00
		Mr. Pradip R.Shah	1.25	1.00
		Mr. Ashok Nichani	1.25	1.00
11	Commission to Director	Mr.Sanjay S.Majmudar	22.00	22.00
		Mrs. Khushali Samip Solanki	18.00	18.00
12	Reimbursement received from gratuity fund	Welcast Steels Employees Gratuity fund trust	-	54.59

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 47 RELATED PARTY DISCLOSURES (CONTD.)

D The details of amounts due to or due from related parties as at 31 March are as follows:

(₹ in Lakhs)

Sr. no.	Particulars	Name of related party	31 March, 2024	31 March, 2023
1	**Other financial liabilities**			
	Key managerial personnel	Mr. Bhadresh K. Shah	4.45	5.00
		Mr. Yashwant M. Patel	1.99	1.87
		Mr. Mohona Rao VVR	4.61	4.38
			11.05	11.25
2	**Trade payables**			
	Enterprise over which key managerial personnel or close member of their family exercise control	AB Tradelink Private Limited	33.43	8.92
		Harsha Engineers International Limited	270.25	195.43
		Vee Connect Travels Private Limited	22.13	-
	Relative of Key managerial personnel	Mrs. Giraben K. Shah	0.32	0.32
		Mrs. Gitaben B. Shah	0.09	0.09
	Independent director	Mr. Sanjay S. Majmudar	19.80	19.80
			346.02	224.56
3	**Trade receivable**			
	Enterprise over which key managerial personnel or close member of their family exercise control	AB Tradelink Private Limited	2,193.15	9,563.02
			2,193.15	9,563.02
4	**Provision for employee benefits**			
	Post employment benefit plan of the Group	AIA Employee's Gratuity Trust Fund, India	257.26	96.21
		Welcast Steels Employees Gratuity fund trust	7.65	-
			264.91	96.21
5	**Amount due from Gratuity Trust**			
	Post employment benefit plan of the Group	Welcast Steels Employees Gratuity fund trust	-	17.15
			-	17.15
6	**Advances**			
	Enterprise over which key managerial personnel or close member of their family exercise control	Vee Connect Travels Private Limited	-	16.25
			-	16.25
7	**Other Current Liabilities**			
	Joint Venture	Vega MPS Pty Ltd	913.90	-
			913.90	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 47 RELATED PARTY DISCLOSURES (CONTD.)

E Breakup of compensation paid to key managerial personnel:

(₹ in Lakhs)

Sr. no.	Particulars	Name of Key Managerial Personnel	31 March, 2024	31 March, 2023
1	Short-term employee benefits	Mr. Bhadresh K. Shah	128.98	111.12
		Mr. Yashwant M. Patel	30.32	30.32
		Mr. Mohona Rao VVR	34.34	32.90
		Mr. Paryank R. Shah	84.38	81.91
		Mr. R. A .Gilani	117.54	136.35
		Mr. Himanshu K. Patel	109.83	101.04
		Mr. David Hurlock	94.78	84.45
		Mr. Jerry Andersson	211.99	238.36
		Mr. Vivek S. Rathaur	42.46	38.55
			854.62	855.00

Key Managerial Personnel and their relatives who are under the employment of the group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the Consolidated financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

All related party transactions entered during the year were in ordinary course of the business and are on arm's length basis. No amount has been recognised as bad or doubtful in respect of transactions with the related parties.

NOTE 48 OPERATING SEGMENTS

(a) Information about reportable segment:

The group operates mainly in manufacturing of High Chrome Mill Internals (Castings) and all other activities are incidental thereto, which have similar risk and return, accordingly, there are no separate reportable Segment.

(b) Information about geographical segment:

The geographical information analyses the group's revenues and non-current assets by the Company's country of domicile (i.e., India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers and segment assets have been based on the geographical location of assets.

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
(1) Revenues from external customers including operating revenue		
India	1,45,622.20	1,38,017.75
Australia	48,539.49	57,303.12
United States of America	56,539.80	58,361.05
Others	2,34,674.64	2,37,194.95
(2) Non-current assets (excluding financial assets and tax assets)		
India	1,24,697.60	1,13,700.28
Outside India	457.49	282.65

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 48 OPERATING SEGMENTS (CONTD.)

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
(a) Breakup of revenues :		
Revenue from operations	4,77,182.26	4,83,802.48
Other operating revenue	8,193.87	7,074.39
(b) Non-current assets		
Non-current assets (excluding financial assets and tax assets)	1,25,155.09	1,13,982.93

There are sales in single country which amounts to more than 10% of the group's total revenue and same is disclosed above. There are no transactions with a single external customer which amounts to 10% or more of the group's total revenue.

NOTE 49 FINANCIAL RISK MANAGEMENT

The group's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk, market risk and commodity risk. The group's senior management has overall responsibility for the establishment and oversight of the group's risk management framework. The Company has constituted a Risk Management Committee which is responsible for developing and monitoring the group's risk management policies. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities.

The Risk Management Committee of the Company is supported by the Finance team and experts who provide assurance that the group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the group's policies and risk objectives. The activities are designed to protect the group's financial results and position from financial risks, maintain market risks within the acceptable parameters while optimising returns and protect the group's financial investments while maximising returns.

This note explains the sources of risk which the group is exposed to and how the group manages the risk in the financial statements.

Nature of risk	Exposure arising from	Measurement	Management
Credit risk	Cash and Cash equivalents, trade receivables, financial assets measured at amortised cost	Aging analysis, Credit rating	Credit limit set and aging analysis protect group from potential losses due to excess credit to the customers. Further the group has also obtained ECGC insurance cover for export sales.
Liquidity risk	Borrowing and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk - foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in ₹	Cash flow forecasting, Sensitivity analysis	Forward foreign exchange contracts.
Commodity risk	Purchase of raw material	Fluctuation in imported metal scrap and ferro chrome prices and currency rates	Procurement and inventory strategy

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle the obligation as agreed. To manage this, the group periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. Customer wise limits are set accordingly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

The group considers the probability of default of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

(i) Actual or expected significant adverse changes in business;

(ii) Actual or expected significant changes in the operating results of the counterparty;

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

(iv) Significant increase in credit risk on other financial instruments of the same counterparty.

The group categorises financial assets based on the assumptions, inputs and factors specific to the class of financial asset into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit impaired.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the group. The group considers a loan or receivable for write off review when contractual payments pasts greater than one year from due date. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the consolidated statement of profit and loss.

Provision for expected credit losses:

<table>
<tr><th rowspan="2">Description of category</th><th rowspan="2">Category</th><th colspan="3">Basis for recognition of expected credit loss provision</th></tr>
<tr><th>Investments</th><th>Loans and deposits</th><th>Trade receivables</th></tr>
<tr><td>Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.</td><td>High-quality assets, negligible credit risk</td><td>12 month expected credit losses</td><td>12 month expected credit losses</td><td rowspan="5">Life time expected credit losses (simplified approach)</td></tr>
<tr><td>Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.</td><td>Quality assets, low credit risk</td><td>12 month expected credit losses</td><td>12 month expected credit losses</td></tr>
<tr><td>Assets where the probability of default is moderate, counter-party where the capacity to meet the obligations is not strong.</td><td>Standard assets, moderate credit risk</td><td>12 month expected credit losses</td><td>12 month expected credit losses</td></tr>
<tr><td>Assets where there has been a significant increase in credit risk since initial recognition where payments are more than 360 days past due</td><td>Substandard assets, relatively high credit risk</td><td>Life time expected credit losses</td><td>Life time expected credit losses</td></tr>
<tr><td>Assets where there is a high probability of default. It includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 360 days past due.</td><td>Low quality assets, very high credit risk</td><td>Life time expected credit losses</td><td>Life time expected credit losses</td></tr>
<tr><td>Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group.</td><td>Doubtful assets, credit impaired</td><td colspan="3">Asset is written off</td></tr>
</table>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

Movement in allowance for impairment of Trade receivables is as below:

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
Balance at the Beginning	105.59	145.08
Impairment loss reversed	(52.01)	(40.23)
Loss / (Gain) on account of translation of foreign operation	0.08	0.74
Amounts written off	-	-
Balance at the end	**53.66**	105.59

Loss allowance as on 31 March, 2024 and 31 March, 2023 was determined as follows :

As at 31 March, 2024	Weighted Average Loss Rate	Gross Carring Amount	Loss allowance
Unbilled	0.00%	-	-
Not Due	0.01%	60,538.59	3.27
Less than 6 months	0.01%	25,943.92	3.05
6 months - 1 year	0.26%	1,262.93	3.31
1-2 years	2.74%	252.81	6.92
2-3 years	18.43%	83.20	15.34
More than 3 years	31.52%	69.07	21.77
Gross carrying amount		**88,150.53**	**53.66**

As at 31 March, 2023	Weighted Average Loss Rate	Gross Carring Amount	Loss allowance
Unbilled	-	-	-
Not Due	0.01%	57,085.71	6.35
Less than 6 months	0.02%	28,481.66	6.33
6 months - 1 year	0.61%	258.67	1.58
1-2 years	5.37%	109.39	5.87
2-3 years	23.79%	106.09	25.24
More than 3 years	37.88%	158.97	60.22
Gross carrying amount		86,200.49	105.59

Expected credit loss for loans and deposits:

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
As at 31 March, 2024					
Loss allowance measured at 12 month expected credit losses:					
Financial assets for which credit risk has not increased significantly since initial recognition	Loans	12,828.60	-	-	12,828.60
	Deposits	1,152.64	-	-	1,152.64
Loss allowance measured at life time expected credit losses:					
Financial assets for which credit risk has increased significantly and not credit impaired or credit impaired	NA	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
As at 31 March, 2023					
Loss allowance measured at 12 month expected credit losses:					
Financial assets for which credit risk has not increased significantly since initial recognition	Loans	12,875.67	-	-	12,875.67
	Deposits	1,000.87	-	-	1,000.87
Loss allowance measured at life time expected credit losses:					
Financial assets for which credit risk has increased significantly and not credit impaired or credit impaired	NA	-	-	-	-

Expected credit loss for trade receivables under simplified approach:

Ageing of trade receivables as at year end:

(₹ in Lakhs)

From due date of invoice	31 March, 2024	31 March, 2023
Not due	60,538.59	57,085.71
0 - 3 months	22,561.17	26,572.93
3 - 6 months	3,382.75	1,908.72
6 - 12 months	1,262.93	258.67
Beyond 12 months	405.08	374.46
Gross carrying amount	88,150.53	86,200.49
Expected credit loss	(53.66)	(105.59)
Net carrying amount	**88,096.87**	86,094.90

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risks are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows. Maturity grouping for Liquidity risk relating to lease liabilities (without discounting) is as under:

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
0-1 Year	336.45	399.94
2-5 Years	368.77	323.54
Above 5 Years	-	-
Total	**705.22**	723.48

Financing arrangements

The group had access to following undrawn borrowing facilities as at year end:

(₹ in Lakhs)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Fund and non-fund based facilities	73,247.07	67,651.26

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

The table below analyses derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining year from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Lakhs)

Particulars	0-1 years	1-5 years	Total
As at 31 March, 2024			
Non-derivative financial liabilities			
Short term borrowings	45,459.50	-	45,459.50
Trade payables	17,863.53	-	17,863.53
Other financial liabilities	2,727.10		2,727.10
Total	**66,050.13**	**-**	**66,050.13**
Derivative financial liabilities			
Forward exchange contracts used for hedging inflows	-	-	-
As at 31 March, 2023			
Non-derivative financial liabilities			
Short term borrowings	49,600.00	-	49,600.00
Trade payables	26,136.96	-	26,136.96
Other financial liabilities	2,385.97		2,385.97
Total	78,122.93	-	78,122.93
Derivative financial liabilities			
Forward exchange contracts used for hedging inflows	-	-	-

Note: Guarantees issued by the Group aggregating to ₹ 1,666.93 Lakhs (previous year: ₹ 821.10 Lakhs) on behalf of subsidiaries are with respect to borrowing limits obtained by the respective entity. These amounts will be payable on default by the concerned entity. As of the reporting date, none of the subsidiary have any outstanding borrowing and hence the group does not have any present obligation to third parties in relation to such guarantees.

Market risk - interest rate

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

Interest rate sensitivity

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
Borrowings bearing fixed rate of interest	-	-
Borrowings bearing variable rate of interest	45,459.50	49,600.00

Exposure to interest rate risk

A change of 50 bps in interest rates would have following impact on profit before tax:

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
Movement - effects on profit before tax		
50 bp increase-decrease in profits	(227.30)	(248.00)
50 bp decrease-increase in profits	227.30	248.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

Market risk - Foreign currency risk

The group operates internationally and large portion of the business is transacted in several currencies. Consequently the group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the group are significantly higher in comparison to its imports. As a policy the group does not cover the foreign exchange requirements for its imports and the same is managed from the export earnings in foreign currency. Foreign currency exchange rate exposure for exports is managed by prudent hedging policy.

Foreign currency exposure

Particulars	Assets				Liabilities	
	Trade receivables (net of hedge)	Bank balances in EEFC accounts	Investments	Total exposure to foreign currency risk	Trade payables	Total exposure to foreign currency risk
As at 31 March, 2024:						
USD	6,35,89,877	1,25,65,826	56,13,054	8,17,68,757	39,84,854	39,84,854
EURO	33,86,057	15,19,913	-	49,05,970	3,50,164	3,50,164
ZAR	60,52,312	33,41,097	-	93,93,409	4,89,387	4,89,387
GBP	-	60,728	-	60,728	14,594	14,594
CAD	65,368	3,92,115	-	4,57,483	52,307	52,307
AUD	75,03,142	14,24,145	-	89,27,287	4,64,285	4,64,285
AED	-	2,31,890	-	2,31,890	1,44,387	1,44,387
CNY	14,85,800	38,53,427	-	53,39,227	72,125	72,125
CLP	1,32,34,80,630	63,01,84,654	-	1,95,36,65,284	2,00,60,816	2,00,60,816
IDR	33,44,08,39,746	11,18,02,48,731	-	44,62,10,88,477	28,43,54,334	28,43,54,334
GHC	-	8,28,748	-	8,28,748	86,988	86,988
SOL	-	12,842	-	12,842	-	-
As at 31 March, 2023:						
USD	4,71,73,177	1,83,58,373	53,95,363	7,09,26,913	38,73,226	38,73,226
EURO	63,40,703	30,35,293	-	93,75,996	3,42,173	3,42,173
ZAR	46,05,160	1,25,35,121	-	1,71,40,281	1,96,567	1,96,567
GBP	-	1,00,410	-	1,00,410	36,150	36,150
CAD	91,205	11,81,540	-	12,72,745	9,935	9,935
AUD	75,84,516	1,46,10,779	-	2,21,95,295	9,39,213	9,39,213
AED	-	1,82,556	-	1,82,556	-	-
CNY	8,51,400	16,91,453	-	25,42,853	-	-
CLP	2,02,85,93,154	28,92,39,642	-	2,31,78,32,796	2,14,31,566	2,14,31,566
IDR	71,22,74,51,838	7,79,08,08,553	-	79,01,82,60,391	-	-
GHS	-	19,25,881	-	19,25,881	22,50,451	22,50,451
SOL	-	-	-	-	-	-

Foreign currency risk sensitivity

Particulars	Movement (%)		Effect on profit before tax		Effect on equity net of tax	
	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
USD sensitivity						
INR / USD- increase by	1.00	1.00	648.30	550.60	517.95	439.89
INR / USD- decrease by	1.00	1.00	(648.30)	(550.60)	(517.95)	(439.89)
Euro sensitivity						
INR / Euro- increase by	1.00	1.00	41.05	80.65	32.80	64.43
INR / Euro- decrease by	1.00	1.00	(41.05)	(80.65)	(32.80)	(64.43)
ZAR sensitivity						
INR / ZAR- increase by	1.00	1.00	3.93	7.84	3.14	6.27
INR / ZAR- decrease by	1.00	1.00	(3.93)	(7.84)	(3.14)	(6.27)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

Particulars	Movement (%)		Effect on profit before tax		Effect on equity net of tax	
	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
GBP sensitivity						
INR / GBP- increase by	1.00	1.00	0.48	0.65	0.39	0.52
INR / GBP- decrease by	1.00	1.00	(0.48)	(0.65)	(0.39)	(0.52)
CAD sensitivity						
INR / CAD- increase by	1.00	1.00	2.49	7.67	1.99	6.13
INR / CAD- decrease by	1.00	1.00	(2.49)	(7.67)	(1.99)	(6.13)
AUD sensitivity						
INR / AUD- increase by	1.00	1.00	46.01	116.99	36.76	93.47
INR / AUD- decrease by	1.00	1.00	(46.01)	(116.99)	(36.76)	(93.47)
AED sensitivity						
INR / AED- increase by	1.00	1.00	0.20	0.41	0.16	0.33
INR / AED- decrease by	1.00	1.00	(0.20)	(0.41)	(0.16)	(0.33)
CNY sensitivity						
INR / CNY- increase by	1.00	1.00	6.08	3.04	4.86	2.43
INR / CNY- decrease by	1.00	1.00	(6.08)	(3.04)	(4.86)	(2.43)
CLP sensitivity						
INR / CLP- increase by	1.00	1.00	16.45	23.79	13.15	19.01
INR / CLP- decrease by	1.00	1.00	(16.45)	(23.79)	(13.15)	(19.01)
IDR sensitivity						
INR / IDR- increase by	1.00	1.00	23.50	43.46	18.77	34.72
INR / IDR- decrease by	1.00	1.00	(23.50)	(43.46)	(18.77)	(34.72)
GHS sensitivity						
INR / GHS- increase by	1.00	1.00	(0.47)	(0.23)	(0.37)	(0.18)
INR / GHS- decrease by	1.00	1.00	0.47	0.23	0.37	0.18
SOL sensitivity						
INR / SOL- increase by	1.00	1.00	(0.03)	-	(0.02)	-
INR / SOL- decrease by	1.00	1.00	0.03	-	0.02	-

The following significant exchange rates have been applied during the year

Rupees	Average rate		Year-end spot rate	
	31 March, 2024	31 March, 2023	31 March, 2024	31 March, 2023
USD	82.70	80.04	83.35	82.11
EUR	89.66	83.59	90.10	89.28
ZAR	4.43	4.77	4.42	4.63
CAD	61.33	60.73	61.55	60.70
GBP	103.61	97.60	105.23	101.56
AUD	54.39	55.04	54.37	55.04
AED	22.52	21.80	22.69	22.36
CNY	11.59	11.72	11.54	11.95
RUB	0.94	1.20	0.90	1.06
CLP	0.10	0.09	0.09	0.10
IDR	0.01	0.01	0.01	0.01
GHS	7.06	8.28	6.32	7.11
SOL	22.41	21.84	22.41	21.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

Derivative financial instruments

The Group holds derivative financial instruments such as foreign currency forwards to mitigate the risk of changes in exchange rate on foreign currency exposures relating to the underlying transactions and firm commitments. The counterparty for these contracts are banks. These derivative financial instruments are generally with a maturity upto 1 year. The Group does not enter into any derivative instruments for trading or speculative purposes.

Cash flow hedge:

The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:

Currency - sold / bought	Exposure to buy / sell	No. of contracts	Net position		Fair value gain / (loss) in cash flow hedge reserve
			Foreign currency	₹ in Lakhs	₹ in Lakhs
31 March, 2024					
USD / INR	Sell	208	2,37,50,000	19,794.82	44.98
AUD / INR		111	1,82,00,000	9,894.92	287.00
					331.98
		Less : Deferred tax			83.55
		Balance in cash flow hedge reserve			**248.43**
31 March, 2023					
USD / INR	Sell	151	1,65,00,000	13,548.61	95.24
AUD/ INR		43	55,50,000	3,054.63	124.45
					219.69
		Less : Deferred tax			55.29
		Balance in cash flow hedge reserve			164.40

The movement of cash flow hedges in other comprehensive income is as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Balance at the beginning of the year (net of tax)	164.40	(86.93)
Change in the fair value of effective portion of cash flow hedges in Other comprehensive income (net of tax)	84.03	251.33
Balance at the end of the year (net of tax)	**248.43**	164.40

Commodity Risk

Principal raw materials for Group's products are metal scrap and ferro chrome. Group sources its raw material requirement from domestic and international markets. Domestic market price generally remains in line with international market prices. Volatility in metal prices, currency fluctuation of rupee viz a viz other prominent currencies coupled with demand-supply scenario in the world market affect the effective price of metal scrap and ferrous metal. The group effectively manages availability of material as well as price volatility through:

(i) widening its sourcing base;

(ii) appropriate contracts with vendors and customers and commitments;

(iii) well planned procurement and inventory strategy.

Risk committee has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 49 FINANCIAL RISK MANAGEMENT (CONTD.)

Consumption details of Metal scrap and Ferro chrome:

Particulars	(Qty. in MT)	
	2023-24	2022-23
Metal scrap	2,32,838	2,23,039
Ferro chrome	45,531	68,350

Commodity price sensitivity:

Increase / (decrease) in prices of metal scrap / ferro chrome by Re. 1 per kg would have following impact on profit before tax:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Re. 1 increase in commodity price	(2,783.69)	(2,913.89)
Re. 1 decrease in commodity price	2,783.69	2,913.89

(B) Capital management

A. The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern so that they can continue to provide return for shareholders and benefits for other stakeholders.
- maintain an optimal capital structure to reduce the cost of capital.

The group monitors capital on the basis of the following debt equity ratio:

(₹ in Lakhs)

Particulars	2023-24	2022-23
Debt	45,459.50	49,600.00
Total equity	6,65,774.19	5,69,132.60
Debt to total equity	0.07	0.09

Group believes in conservative leverage policy. Group's capital expenditure plan over the medium term shall be largely funded through internal accruals and suppliers' credit.

B. The group follows the policy of Dividend for every financial year as may be decided by the Board considering financial performance of the group and other internal and external factors enumerated in the group's dividend policy such as reinvestment of capital in business. Group's Dividend policy is to distribute 10-25% of its consolidated net profit as dividend.

NOTE 50 FAIR VALUE MEASUREMENTS

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: Inputs other than quoted prices included in 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 asset or liability that are not based on observable market data (unobservable input).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 50 FAIR VALUE MEASUREMENTS (CONTD.)

A. Financial assets :

(₹ in Lakhs)

Particulars	Note	Instruments carried at			Total carrying value	Total fair value
		FVTPL#	FVTOCI	Amortised cost		
As at 31 March, 2024						
Non-current investments #	8	83.66	-	-	83.66	83.66
Current investments	15	1,10,534.29	1,87,126.99	-	2,97,661.28	1,10,534.29
Trade receivables	9, 16	-	-	88,096.87	88,096.87	-
Loans	10, 18	-	-	12,828.60	12,828.60	-
Cash and cash equivalents	17	-	-	18,032.70	18,032.70	-
Bank balances other than above	11,17	-	-	37,366.99	37,366.99	-
Other financial assets	19	331.98	-	24,135.24	24,467.22	331.98
		1,10,949.93	**1,87,126.99**	**1,80,460.40**	**4,78,537.32**	**1,10,949.93**
As at 31 March, 2023						
Non-current investments #	8	42.26	-	37.63	79.89	42.26
Current investments	15	52,345.35	1,73,006.54	-	2,25,351.89	52,345.35
Trade receivables	9, 16	-	-	86,094.90	86,094.90	-
Loans	10, 18	-	-	12,875.67	12,875.67	-
Cash and cash equivalents	17	-	-	30,747.67	30,747.67	-
Bank balances other than above	17	-	-	49,861.90	49,861.90	-
Other financial assets	19	219.88	-	3,663.72	3,883.60	219.88
Total		52,607.49	1,73,006.54	1,83,281.49	4,08,895.52	52,607.49

Investments in unquoted equity shares of entities other than subsidiaries and joint venture have been designated as FVTPL and such investment upon sale is only going to fetch the principle amount invested and hence the management considers cost and fair value to be the same.

B. Financial liabilities :

(₹ in Lakhs)

Particulars	Note	Instruments carried at			Total carrying value	Total fair value
		FVTPL	FVTOCI	Amortised cost		
As at 31 March, 2024						
Borrowings	25	-	-	45,459.50	45,459.50	-
Trade payables	27	-	-	17,863.53	17,863.53	-
Other financial liabilities	28	-	-	2,727.10	2,727.10	-
Total		**-**	**-**	**66,050.13**	**66,050.13**	**-**
As at 31 March, 2023						
Borrowings	25	-	-	49,600.00	49,600.00	-
Trade payables	27	-	-	26,136.96	26,136.96	-
Other financial liabilities	28	-	-	2,385.97	2,385.97	-
Total		**-**	**-**	78,122.93	78,122.93	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 50 FAIR VALUE MEASUREMENTS (CONTD.)

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities:

(₹ in Lakhs)

Particulars	Note	Fair value	Level 1	Level 2	Level 3
As at 31 March, 2024					
Financial assets					
Current investments	15				
Investments in mutual funds (quoted)		71,628.26	71,628.26	-	-
Investments in bonds (quoted)		1,97,766.34	1,97,766.34	-	-
Investment in commercial paper (quoted)		19,574.78	19,574.78	-	-
Investment in government securities (quoted)		8,691.90	8,691.90	-	-
Other Financial assets					
Derivatives		331.98	-	331.98	-
As at 31 March, 2023					
Financial assets					
Current investments	15				
Investments in mutual funds (quoted)		15,977.17	15,977.17	-	-
Investments in bonds (quoted)		2,09,374.72	2,09,374.72	-	-
Other Financial assets					
Derivatives		219.88	-	219.88	-

Note: During the year, there has not been transfer of any financial assets or financial liabilities between level 1 and level 2.

NOTE 51 AGEING OF NON-CURRENT TRADE RECEIVABLES

As at 31 March, 2024

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	3.46	22.39	6.19	23.47	10.02	65.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**-**	**3.46**	**22.39**	**6.19**	**23.47**	**10.02**	**65.54**

As at 31 March, 2023

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	2.64	1.50	3.27	2.44	1.40	11.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	-	2.64	1.50	3.27	2.44	1.40	11.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2024 (CONTD.)

NOTE 52 AGEING OF CURRENT TRADE RECEIVABLES

As at 31 March, 2024

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	-	60,535.32	25,937.41	1,237.23	239.70	44.39	37.28	88,031.33
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	3.27	3.05	3.31	6.92	15.34	21.77	53.66
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	**-**	**60,538.59**	**25,940.46**	**1,240.54**	**246.62**	**59.73**	**59.05**	**88,084.99**

As at 31 March, 2023

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	-	57,079.36	28,472.69	255.59	100.25	78.41	97.35	86,083.65
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	6.35	6.33	1.58	5.87	25.24	60.22	105.59
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk								
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	-	57,085.71	28,479.02	257.17	106.12	103.65	157.57	86,189.24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 MARCH, 2024 (CONTD.)

NOTE 53 AGEING OF TRADE PAYABLES

As at 31 March, 2024

(₹ in Lakhs)

Particulars	Unbilled dues	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	-	1,997.79	63.93	-	-	-	2,061.72
(ii) Others	3,804.51	5,371.77	4,869.61	650.86	512.01	593.05	15,801.81
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**3,804.51**	**7,369.56**	**4,933.54**	**650.86**	**512.01**	**593.05**	**17,863.53**

As at 31 March, 2023

(₹ in Lakhs)

Particulars	Unbilled dues	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	-	2,437.32	227.18	0.30	-	-	2,664.80
(ii) Others	7,775.43	9,403.40	4,893.57	644.16	491.43	264.17	23,472.16
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	7,775.43	11,840.72	5,120.75	644.46	491.43	264.17	26,136.96

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 54 DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE HOLDING COMPANY, SUBSIDIARIES AND JOINT VENTURE AS PER SCHEDULE III OF COMPANIES ACT, 2013:

(₹ in Lakhs)

Name of the Company	Net assets (total assets minus total liabilities)			Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	Country of incorporation	Net assets	As % of consolidated net assets	Profit / (loss)	As % of consolidated profit or loss	Other comprehensive income	As % of consolidated OCI	Total comprehensive income	As % of consolidated TCI
31 March, 2024									
Holding Company									
AIA Engineering Limited	India	6,45,583.57	96.97%	1,12,944.99	99.46%	428.92	(23.45%)	1,13,373.91	101.47%
Indian subsidiaries (direct)									
Welcast Steels Limited	India	4,031.28	0.61%	524.85	0.46%	(8.7)	0.48%	516.15	0.46%
AIA CSR Foundation	India	1.00	0.00%	-	0.00%	-	0.00%	-	0.00%
Foreign subsidiaries (direct)									
Vega Industries (Middle East) F.Z.C.	U.A.E	29,703.09	4.46%	14,696.55	12.94%	-	0.00%	14,696.55	13.15%
Foreign subsidiaries (indirect)									
Vega Industries Limited	U. K.	818.17	0.12%	806.77	0.71%	-	0.00%	806.77	0.72%
Vega Industries Limited	U. S. A.	2,863.00	0.43%	784.29	0.69%	-	0.00%	784.29	0.70%
Vega Steel Industries (RSA) Proprietary Limited	South Africa	59.37	0.01%	39.07	0.03%	-	0.00%	39.07	0.03%
Wuxi Vega Trade Co. Limited	China	428.69	0.06%	279.48	0.25%	-	0.00%	279.48	0.25%
PT. Vega Industries Indonesia	Indonesia	(874.58)	(0.13%)	194.88	0.17%	-	0.00%	194.88	0.17%
Vega Industries Chile SpA	Chile	(711.15)	(0.11%)	(691.89)	(0.61%)	-	0.00%	(691.89)	(0.62%)
AIA Ghana Limited	Ghana	(2,443.79)	(0.37%)	(346.68)	(0.31%)	-	0.00%	(346.68)	(0.31%)
Vega Industries Australia PTY Limited	Australia	1,056.03	0.16%	437.44	0.39%	-	0.00%	437.44	0.39%
Vega Industries Peru Limited	Peru	(11.07)	(0.00%)	(93.07)	(0.08%)	-	0.00%	(93.07)	(0.08%)
Foreign Joint Venture									
Vega MPS Pty. Ltd	Australia	-	0.00%	231.25	0.20%	-	0.00%	231.25	0.21%
Add / (less):									
Adjustment arising out of consolidation		(13,700.47)	(2.06%)	(16,108.69)	(14.19%)	-	0.00%	(16,108.69)	(14.42%)
Exchange differences on translation of foreign operations		-	0.00%	-	0.00%	(2,250.93)	123.08%	(2,250.93)	(2.01%)
Non-controlling interests in:									
Welcast Steels Limited		(1,013.89)	(0.15%)	(132.00)	(0.12%)	2.19	(0.12%)	(129.81)	(0.12%)
Vega Steel Industries (RSA) Proprietary Limited		(15.06)	0.00%	(9.91)	(0.01%)	(0.37)	0.02%	(10.28)	(0.01%)
		6,65,774.19	**100.00%**	**1,13,557.33**	**100.00%**	**(1,828.89)**	**100.00%**	**1,11,728.44**	**100.00%**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 54 DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE HOLDING COMPANY, SUBSIDIARIES AND JOINT VENTURE AS PER SCHEDULE III OF COMPANIES ACT, 2013: (CONTD.)

(₹ in Lakhs)

Name of the Company	Net assets (total assets minus total liabilities)			Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	Country of incorpo-ration	Net assets	As % of consolidated net assets	Profit / (loss)	As % of consolidated profit or loss	Other comprehensive income	As % of consolidated OCI	Total comprehensive income	As % of consolidated TCI
31 March, 2023									
Holding Company									
AIA Engineering Limited	India	5,47,300.92	96.16%	96,882.56	91.75%	(581.34)	16.67%	96,301.22	94.32%
Indian subsidiaries (direct)									
Welcast Steels Limited	India	3,531.10	0.62%	264.02	0.25%	14.85	(0.43%)	278.87	0.27%
AIA CSR Foundation	India	1.00	0.00%	-	0.00%	-	0.00%	-	0.00%
Foreign subsidiaries (direct)									
Vega Industries (Middle East) F.Z.C.	U.A.E	28,016.88	4.92%	13,298.98	12.59%	-	0.00%	13,298.98	13.02%
Foreign subsidiaries (indirect)									
Vega Industries Limited	U. K.	1,249.75	0.22%	25.66	0.02%	-	0.00%	25.66	0.03%
Vega Industries Limited	U. S. A.	2,041.97	0.36%	456.48	0.43%	-	0.00%	456.48	0.45%
Vega Steel Industries (RSA) Proprietary Limited	South Africa	27.27	0.00%	(36.51)	(0.03%)	-	0.00%	(36.51)	(0.04%)
Wuxi Vega Trade Co. Limited	China	154.54	0.03%	(106.26)	(0.10%)	-	0.00%	(106.26)	(0.10%)
PT. Vega Industries Indonesia	Indonesia	(1,109.91)	(0.20%)	(1,109.65)	(1.05%)	-	0.00%	(1,109.65)	(1.09%)
Vega Industries Chile SpA	Chile	(126.14)	(0.02%)	(64.90)	(0.06%)	-	0.00%	(64.90)	(0.06%)
AIA Ghana Limited	Ghana	(2,063.32)	(0.36%)	(290.31)	(0.27%)	-	0.00%	(290.31)	(0.28%)
Vega Industries Australia PTY Limited	Australia	627.10	0.11%	381.56	0.36%		0.00%	381.56	0.37%
Add / (less):									
Adjustment arising out of consolidation		(9,624.95)	(1.69%)	(4,051.60)	(3.84%)	-	0.00%	(4,051.60)	(3.97%)
Exchange differences on translation of foreign operations		-	-	-	0.00%	(2,917.56)	83.65%	(2,917.56)	(2.86%)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024 (CONTD.)

NOTE 54 **DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE HOLDING COMPANY, SUBSIDIARIES AND JOINT VENTURE AS PER SCHEDULE III OF COMPANIES ACT, 2013: (CONTD.)**

(₹ in Lakhs)

Name of the Company	Net assets (total assets minus total liabilities)			Share in profit or loss		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	Country of incorpo-ration	Net assets	As % of consolidated net assets	Profit / (loss)	As % of consolidated profit or loss	Other comprehensive income	As % of consolidated OCI	Total comprehensive income	As % of consolidated TCI
Non-controlling interests in:									
Welcast Steels Limited		(888.09)	(0.16%)	(66.40)	(0.06%)	(3.73)	0.11%	(70.13)	(0.07%)
Vega Steel Industries (RSA) Proprietary Limited		(5.52)	0.00%	9.26	0.01%	-	-	9.26	0.01%
		5,69,132.60	100.00%	1,05,592.89	100.00%	(3,487.78)	100.00%	1,02,105.11	100.00%

As per our report of even date attached.

For **B S R & CO. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

RUPEN SHAH
Partner
Membership No: 116240

Place : Ahmedabad
Date : 14 May, 2024

For and on behalf of the Board of Directors
AIA Engineering Limited
CIN: L29259GJ1991PLC015182

BHADRESH K. SHAH
Managing Director
(DIN : 00058177)

YASHWANT M. PATEL
Whole-time Director
(DIN : 02103312)

VIREN K.THAKKAR
Chief Financial Officer

S. N. JETHELIYA
Company Secretary
(ACS: 5343)

Place : Ahmedabad
Date : 14 May, 2024

Place : Ahmedabad
Date : 14 May, 2024