

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

TO THE MEMBERS OF APAR INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Apar Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

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

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Litigations, Provisions and Contingent Liabilities</p> <p>There are several litigations pending before various forums by and against the Company. These also include matters under various statutes and involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>We identified this as a key matter as the estimate of these amounts involves a significant degree of management judgement and high estimation uncertainty.</p> <p>(Refer Note 51 to the Standalone Financial Statements)</p>	<p>To address this key audit matter, our procedures included:</p> <ul style="list-style-type: none"> Obtaining from the management details of matters under dispute including ongoing and completed tax assessments, demands and other litigations. Evaluation and testing of the design of internal controls followed by the Company relating to litigations, open tax positions for direct and indirect taxes and other matters and process followed to decide provisioning for the said liabilities or disclosure as Contingent Liabilities. Discussing with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company and the possible outcomes for the same. We also involved our firm's internal experts to evaluate the management's underlying judgements in making their estimates with regard to such matters.

Sr. No.	Key Audit Matter	Auditor's Response
2.	<p>IT systems and controls over financial reporting.</p> <p>We identified IT systems and controls over financial reporting as a key audit matter for the Company because its financial accounting and reporting systems are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, specifically with respect to revenue and raw material consumption. The inter division reconciliation is not automated and continues to be manual. Also, due to large transaction volumes and the increasing challenge to protect the integrity of the Company's systems and data, cyber security has become more significant.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, IT general controls over program development and changes, access to program and data and IT operations, IT application controls and interfaces between IT applications are required to be designed to operate effectively to ensure accurate financial reporting.</p>	<p>In view of the significance of the matter, we applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence:</p> <ul style="list-style-type: none"> • Assessed the complexity of the IT environment through discussion with the IT team and identified IT applications that are relevant to our audit. • Evaluated the operating effectiveness of IT general controls over program development and changes, access to program and data and IT operations. • Performed inquiry procedures with the IT team of the Company in respect of the overall security architecture and any key threats addressed by the Company in the current year. • Evaluated the operating effectiveness of IT application controls in the key processes impacting financial reporting of the Company. • Assessed the operating effectiveness of controls relating to data transmission through the different IT systems to the financial reporting systems. • Checked the interunit balances and their reconciliation across the divisions at year end and ensured that the inter unit balances are zero at the year end.

Information other than the Standalone Financial Statement and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the Other Information. The Other Information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to that Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements, Consolidated Financial Statements, and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the other information, if we conclude that there is a material misstatement therein, we

are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Companies Act, 2013. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give

a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to Standalone Financial Statements.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 51 to the Standalone Financial Statements.

- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. i. The Management has represented that, to the best of its knowledge and belief, (Refer Note No. 56(v)) no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- ii. The Management has represented, that, to the best of its knowledge and belief, (Refer Note No. 56(vi)) no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of F.Y 2022-2023 is in accordance with Section 123 of the Act to the extent it applies to payment of Dividend.

As stated in Note no. 19 to the Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the

ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit

we did not come across any instances of audit trail feature being tampered with.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

UDIN: 24037391BKBOIA1479

Place: Mumbai

Date: 14th May 2024

Annexure “A” to the Independent Auditor’s Report

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

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

(b) The Company has a plan to undertake physical verification of the Property, Plant and Equipment in a phased manner such that the entire Property, Plant and Equipment is covered over a period of three years. In accordance with the said plan, the Company has, during the year, verified the Property, Plant and Equipment of two of its divisions. In our opinion the frequency of verification is reasonable. The discrepancies noticed on such verification, which were not material, have appropriately been dealt with in the books of account.

(c) Based on our examination of the registered sale deeds provided to us, the title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Standalone Financial Statements included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date.

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

(e) As disclosed in note no. 56(i) of the Standalone Financial Statements, the Company does not have any proceedings initiated or pending against it for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The inventory (except goods in transit) has been physically verified by the Management at the end of the year. In our opinion, the frequency of verification is reasonable. Considering the size of the Company and nature of its operations, the coverage and procedures are adequate. The discrepancies noticed on physical verification of inventory did not exceed 10% or more for each class of inventory and the same have been appropriately dealt with in the books of account.

(b) The Company has working capital limits sanctioned from banks exceeding ₹5 crores, on the basis of security of current assets. The quarterly returns / statements filed by the Company are broadly in agreement with the books of account and no material unreconciled discrepancies have been observed. Refer Note No. 25(ii) to the Standalone Financial Statements.

(iii) (a) The Company has made investments in, provided guarantee or security and has granted loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties:

(A) During the year, the Company has made investment in a subsidiary and an associate and has given corporate guarantee on behalf of its subsidiary Company which are mentioned below:

Particulars	Aggregate amount during the year (₹ In crores)	Balance outstanding as at March 31, 2024 (₹ In crores)
Investment in Subsidiary	0.42	1.69
Investment in Associate	3.79	7.99
Corporate Guarantee on behalf of a subsidiary	123.68*	719.37

*Corporate guarantee renewed during the year

(B) The Company has granted loans to parties other than subsidiaries, joint ventures and associates, the details are mentioned below;

Particulars	Aggregate amount during the year (₹ In crores)	Balance outstanding as at March 31, 2024 (₹ In crores)
Loan to employees	3.07	3.43

Apart from the above the Company has not given any loan to any Company, Firm, LLP or other parties

- (b) In our opinion, the investments made, guarantees given and the terms and conditions of the loans provided are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and receipt of the same are regular.
- (d) In respect of the loans granted by the Company, there is no amount which is overdue for more than ninety days.
- (e) There are no loans that have fallen due during the year which have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Therefore, reporting under clause 3(v) of the Order is not applicable to the Company for the year under audit.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of these accounts and records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion, the Company has been generally regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the extent applicable to the Company, in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) On the basis of our examination of records and according to the information and explanations given to us, the particulars of statutory dues that have not been deposited on account of any dispute are as under:

Name of Statute	Nature of Dues	Amounts (₹ in Crore)	Period to which the amount relates	Forum from where the dispute is pending
The Central Sales Tax Act 1956	Value Added Tax/Sales Tax/Central Sales Tax/Entry Tax	0.32	1998-99, 2001-02 to 2004-05 & 2011-12	Comm. Tax Officer
		0.06	2011-12 & 2012-13	Dy. Comm. (appeal)
		0.13	2016-17 & 2017-18	Joint comm.(appeal)
		0.16	2013-14,2017-18	Addl. Commissioner
		5.44	2002-03, 2004-05, 2006-07, 2011-12 to 2013-14	Commissioner
		0.62	2006-07, 2008-09, 2009-10	Tribunal
Central Excise Act, 1944	Excise duty (Including interest and penalty thereon)	0.01	2004-05 to 2006-07	Comm. (Appeals)
		2.38	2007-12 to 2012-17	Tribunals
		0.02	2017-18	Comm. (Appeals)
Goods & Service Tax Act,2017	Goods and Service Tax	1.18	2019-20	Comm. (Appeals)
		0.01	2017-18	Comm. (Appeals)
Finance Act, 1994 (Service Tax)	Service Tax	0.60	2005-2008	Comm. (Appeals)
Customs Act,1962	Custom Duty	0.86	1999-1999	Tribunal
		0.72	1999-2006	High Court
Income Tax Act	Income Tax	35.50	2015-16 to 2021-22	Comm. Of Income Tax Appeals

- (viii) As disclosed in note no. 56(vii) of the Standalone Financial Statements, there are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) On the basis of examination of records and according to the information and explanation given to us:
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As disclosed in note no. 56(viii) of the Standalone Financial Statements, the Company is not declared wilful defaulter by any bank or financial institution or other lender.
- (c) On an examination of records of the Company, we report that the term loans were applied for the purpose for which the loans were obtained.
- (d) We report that the Company has not utilised funds raised on short-term basis for long-term purposes.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer including debt instruments during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company for the year under audit.
- (b) On the basis of our examination of the records of the Company, the Company has made private placement of equity shares to Qualified Institutional Buyers during the year in compliance with the requirements of Section 42 of the Act. The total money raised has been utilised till March 31, 2024 (also refer note no. 55 to the Standalone Financial Statements). Apart from the above, the Company has not made any private placement of shares or fully, partly or optionally convertible debentures during the year.
- (xi) (a) There are no instances of fraud by the Company or on the Company noticed or reported during the year except an instance of fraud of approx. ₹8.14 crores by an employee by misuse of his authority.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company for the year under audit.
- (xiii) The Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company in determining the nature, timing and extent of our audit procedures.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the Company for the year under audit.
- (xvi) (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and therefore, clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
- (b) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable to the Company for the year under audit.
- (xvii) The Company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company for the year under audit.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Except for an unspent amount of ₹0.05 crores in respect of ongoing projects, which has since been transferred to a special account in compliance with provisions of section 135(6), the Company has spent the amounts required

to be spent in terms of provisions of section 135 of the Companies Act, 2013.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.037391
UDIN: 24037391BKBOIA1479

Place: Mumbai
Date: 14th May 2024

Annexure “B” to the Independent Auditor’s Report

[Referred to in paragraph 2 f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date]

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of **Apar Industries Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies

Act, 2013 to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in

conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala
Partner

Place: Mumbai
Date: 14th May 2024

Membership No.037391
UDIN: 24037391BKBOIA1479

Balance Sheet

as at March 31, 2024

(₹ crore)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,023.59	774.52
Right to use assets	4	18.75	17.54
Capital work-in-progress	3	120.66	99.07
Other intangible assets	5	1.09	1.11
Intangible assets under development	5	1.72	0.24
Financial assets			
Investments	6	9.68	5.47
Trade receivables	13	11.52	27.51
Loans	7	2.29	2.51
Derivative assets	8	1.00	-
Other financial assets	9	11.63	9.49
Non current tax assets (net)		56.68	45.31
Other non-current assets	10	34.50	61.04
Total non-current assets		1,293.11	1,043.81
Current Assets			
Inventories	11	2,642.66	2,460.75
Financial assets			
Investments	12	0.27	50.10
Trade receivables	13	3,726.05	2,987.44
Cash and cash equivalents	14	558.63	407.68
Bank balances other than above	15	62.03	31.28
Loans	16	1.14	1.09
Derivative assets	8	18.39	34.53
Other financial assets	17	56.97	43.83
Other current assets	18	630.98	544.34
Total current assets		7,697.12	6,561.04
TOTAL ASSETS		8,990.23	7,604.85
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	40.17	38.27
(b) Other equity	20	3,655.55	2,021.23
Total equity		3,695.72	2,059.49
Non-current liabilities			
Financial liabilities			
Borrowings	21	334.31	151.37
Lease liabilities		14.72	14.20
Derivative liabilities	22	0.19	-
Other financial liabilities	23	13.39	8.53
Provisions	24	13.78	12.31
Deferred tax liabilities (net)	40	1.14	21.95
Total non-current liabilities		377.53	208.36
Current liabilities			
Financial liabilities			
Borrowings	25	66.90	155.07
Lease liabilities		5.20	4.31
Trade payables	26		
a) Total outstanding dues of micro enterprises and small enterprises		28.07	84.90
b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		4,378.27	4,752.33
Derivative liabilities	22	23.16	21.42
Other financial liabilities	27	108.07	81.27
Other current liabilities	28	210.22	198.23
Provisions	29	3.53	2.03
Current tax liabilities (net)		93.56	37.43
Total current liabilities		4,916.98	5,336.99
Total liabilities		5,294.51	5,545.36
Total Equity and Liabilities		8,990.23	7,604.85

See accompanying notes to financial statement

1 - 56

As per our report of even date attached

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

For and on behalf of the Board of Directors

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Nina Kapasi

Independent Director

DIN : 02856816

Ramesh Iyer

Chief Financial Officer

Sanjaya R. Kunder

Company Secretary

Statement of Profit and Loss for the year ended March 31, 2024

(₹ crore)

Particulars	Note	For Year ended March 31, 2024	For Year ended March 31, 2023
INCOME			
Revenue from operations	30	15,109.28	13,152.55
Other income	31	88.77	42.84
Total Income		15,198.05	13,195.39
EXPENSES			
Cost of materials consumed	32	11,634.61	10,351.06
Purchases of stock-in-trade		117.44	69.45
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(135.61)	(350.49)
Employee benefits expense	34	268.03	205.71
Finance costs	35	366.40	290.76
Depreciation and amortization expense	36	102.57	91.94
Other expenses	37	1,745.20	1,727.37
Total expenses		14,098.64	12,385.80
Profit before exceptional items and tax		1,099.41	809.59
Exceptional items		-	-
Profit before tax		1,099.41	809.59
Tax expense:			
Current tax	39	290.03	211.83
Deferred tax charge / (credit)	39	(10.49)	(6.73)
Current tax in respect of earlier years		(3.41)	1.83
Total tax expenses		276.13	206.93
Profit / (Loss) for the year from Continuing Operations		823.28	602.66
Other comprehensive income / (loss)			
Items that will not be reclassified to statement of profit and loss			
a) Re-measurement gains / (losses) of defined benefit plans		(1.13)	(0.15)
Income tax on items that will not be reclassified to statement of profit and loss		0.28	0.04
Items that will be reclassified to statement of profit and loss			
a) Effective portion of gains / (losses) on hedging instruments in a cash flow hedge		(26.63)	(94.54)
Income tax on items that will be reclassified to statement of profit and loss		6.53	23.79
Total Other comprehensive income / (loss)		(20.95)	(70.86)
Total comprehensive income / (loss) for the year		802.33	531.80
Earnings per equity share (Face value of ₹10 each)	38		
Basic		211.63	157.48
Diluted		211.63	157.48

As per our report of even date attached
C N K & Associates LLP
Chartered Accountants
Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No 037391
Mumbai, May 14, 2024

For and on behalf of the Board of Directors

Kushal N Desai
Chairman & Managing Director &
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DIN : 00008084
Mumbai, May 14, 2024

Ramesh Iyer
Chief Financial Officer

Nina Kapasi
Independent Director
DIN : 02856816

Sanjaya R. Kunder
Company Secretary

Statement of Cash Flows for the year ended March 31, 2024

(₹ crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Profit before tax	1,099.41	809.59
Adjustments for		
Depreciation / Amortisation expense	102.57	91.94
Loss on sale of property, plant and equipment	0.54	1.51
Interest expenses	266.86	164.63
Interest income on investment	(8.11)	(1.46)
Bad debts/ Provision for doubtful debts made / (written back/reversed)	49.79	46.09
Unrealised exchange loss/(gain)	11.68	33.42
Profit on sale of investments	(7.47)	(1.66)
Movement in working capital		
(Increase) / decrease in trade and other receivables	(929.72)	(772.58)
(Increase) / decrease in inventories	(181.91)	(469.20)
Increase/ (decrease) in trade and other payables	(396.99)	885.69
Tax paid	(242.12)	(210.59)
Net cash generated from / (used in) operating activities	(235.47)	577.38
Cash flow from investing activities		
Acquisition of property, plant and equipment	(331.60)	(231.48)
Proceeds from sale of property, plant and equipment	3.66	1.13
Sale / (purchase) of investment in subsidiary & associate	(4.21)	(3.80)
Sale / (purchase) of investments other than investment in subsidiary & associate - net	57.30	(18.45)
Interest received on investments	11.29	1.66
Net cash generated from / (used in) investing activities	(263.56)	(250.94)
Cash flow from financing activities		
Proceeds/(repayments) from short-term borrowings - net	(96.51)	57.49
Proceeds/(repayments) from long-term borrowings - net	192.70	(38.86)
Repayment of lease liabilities	(7.28)	(4.91)
Interest paid	(268.63)	(117.28)
Dividend payment	(153.00)	(57.37)
Net Proceeds from issue of equity shares through Qualified Institutional Placement	982.58	-
Net cash (used in) / generated from financing activities	649.86	(160.93)
Net increase / (decrease) in cash and cash equivalents	150.83	165.51
Effect of change in exchanges rate on cash and cash equivalents	0.12	(0.48)
Cash and cash equivalents at the beginning of the year	407.68	242.65
Cash and cash equivalents at the end of the year	558.63	407.68

Notes :

- Statement of cash flows has been prepared as per the indirect method as set out in the Ind AS 7 Statement of cash flows.
- Cash and cash equivalents represents cash and bank balances and includes unrealised gain of ₹0.12 crore; (previous year unrealised loss of ₹0.48 crore) on account of translation of foreign currency bank balances.
- Refer Note 21 c) for changes in liabilities arising from financing activities

As per our report of even date attached

For and on behalf of the Board of Directors

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Nina Kapasi

Independent Director

DIN : 02856816

Ramesh Iyer

Chief Financial Officer

Sanjaya R. Kunder

Company Secretary

Statement of Changes in Equity for the year ended March 31, 2024

(a) Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount ₹ crore	No. of Shares	Amount ₹ crore
Balance at the beginning of the reporting period	3,82,68,619	38.27	3,82,68,619	38.27
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	3,82,68,619	38.27	3,82,68,619	38.27
Changes in equity share capital during the current year	18,99,696	1.90	-	-
Balance at the end of the reporting period	4,01,68,315	40.17	3,82,68,619	38.27

(b) Other Equity

For the year ended	Reserves and Surplus					Items of Other Comprehensive Income			Total
	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings - surplus	Hedging reserve	Re-measurement of Defined benefit plans		
Balance at April 1, 2023	23.47	205.18	14.98	352.30	1,417.43	14.59	(6.72)		2,021.23
Profit for the year	-	-	-	-	823.28	-	-	-	823.28
Other comprehensive income / (loss) for the year	-	-	-	-	-	(20.10)	(0.85)	-	(20.95)
Total comprehensive income for the year	-	-	-	-	823.28	(20.10)	(0.85)	-	802.33
Premium on issue of equity shares (Refer Note 55)	-	998.10	-	-	-	-	-	-	998.10
Share issue expenses (Refer Note 55)	-	(17.42)	-	-	-	-	-	-	(17.42)
Deferred tax on share issue expenses	-	3.51	-	-	-	-	-	-	3.51
Current tax on share issue expenses	-	0.88	-	-	-	-	-	-	0.88
Final dividend paid on equity shares	-	-	-	-	(153.07)	-	-	-	(153.07)
Transfer to general reserve	-	-	-	-	-	-	-	-	-
Balance at March 31, 2024	23.47	1,190.25	14.98	352.30	2,087.64	(5.51)	(7.57)		3,655.55
Balance at April 1, 2022	23.47	205.18	14.98	292.30	932.17	85.34	(6.61)		1,546.83
Profit for the year	-	-	-	-	602.66	-	-	-	602.66
Other comprehensive income / (loss) for the year	-	-	-	-	-	(70.75)	(0.11)	-	(70.86)
Total comprehensive income for the year	-	-	-	-	602.66	(70.75)	(0.11)	-	531.80
Final dividend paid on equity shares	-	-	-	-	(57.40)	-	-	-	(57.40)
Transfer to general reserve	-	-	-	60.00	(60.00)	-	-	-	-
Balance at March 31, 2023	23.47	205.18	14.98	352.30	1,417.43	14.59	(6.72)		2,021.23

(₹ crore)

Statement of Changes in Equity for the year ended March 31, 2024 (Contd.)

Nature and purpose of reserves

i. Capital reserve

Capital reserve comprises of gains of capital nature earned by the Company and credited directly to such reserve.

ii. Securities premium

Securities premium is used to recognised the premium received on the issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013. It also comprises of profit on 16,35,387 treasury shares sold in the year 2015-16

iii. Capital redemption reserve

Capital redemption reserve represents amounts set aside by the Company for redemption of capital which may arise in future

iv. General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

v. Retained Earnings

Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

vi. Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in statement of profit or loss as the hedged cash flows or items that affect profit or loss.

vii. Re-measurement of Defined benefit plans

The re-measurement of defined benefit plan comprises of actuarial gains / losses, actual return on plan asset and change in effect of asset ceiling, if any

As per our report of even date attached

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

For and on behalf of the Board of Directors

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Nina Kapasi

Independent Director

DIN : 02856816

Ramesh Iyer

Chief Financial Officer

Sanjaya R. Kunder

Company Secretary

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 1 Background –Company Overview

Apar Industries Limited (“the Company”), founded by Late Shri. Dharmsinh D. Desai in the year 1958 is one among the best-established companies in India, operating in the diverse fields of electrical and metallurgical engineering offering value added products and services in Power Transmission Conductors, Petroleum Specialty Oils, Power & Telecom Cables and House wires. The Company is incorporated in India. The registered office of the Company is situated at 301, Panorama Complex, R. C. Dutt Road, Vadodara, Gujarat – 390 007. The Company has manufacturing plants in states of Maharashtra, Gujarat, Orissa and Union territory of Dadra & Nagar Haveli.

1. Basis of preparation and basis of measurement of Financial Statements

(a) Basis of preparation

These Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 (“the 2013 Act”), and the relevant provisions of the 2013 Act (to the extent notified) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Presentation currency and functional currency is Indian Rupees (₹). All figures appearing in the Financial Statements are rounded off to the nearest crore (₹ Crore), except where otherwise stated. Where the figure in Rupees is less than ₹50,000/- (fifty thousand), the same is presented in Financial Statements as ‘0.00’ (Zero). These Financial Statements are approved for issue by the Board of Directors on May 14, 2024.

(b) Basis of measurement

The Financial Statements have been prepared on a going concern basis using historical cost convention basis except for the following items:

- certain financial assets and liabilities (including mutual fund investments and derivatives) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value; and
- cash settled share-based payments.

(c) Key estimates and judgements

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affecting the financial statements of future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information;

In particular, information about significant areas of estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Financial instruments (including Fair Valuation of Level 3 Financial Instruments);
- Estimates of useful lives and residual value of Property, Plant and Equipment, and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies;
- Evaluation of recoverability of deferred tax assets; and
- Impairment testing

Revisions to accounting estimates are recognized prospectively in the Financial Statements in the period in which the estimates are revised and in any future periods affected.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 2 Material Accounting Policy Information

A. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rate prevailing at the date of the transaction.

Transactions in foreign currencies are recognised at the rate of exchange prevailing on the date of transaction except where it is impracticable to use such rate, average exchange rate is used. 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. Foreign currency differences are generally recognised in the statement of profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of profit and loss in the year in which they arise.

The Company has adopted Appendix B to Ind AS 21, Foreign Currency transactions and advance considerations notified in the Companies (Indian Accounting Standards) Rules, 2018. Accordingly, the exchange rate for translation of foreign currency transactions, in cases when Company receives or pays advance consideration is earlier of:-

- the date of initial recognition of non-monetary prepayment asset or deferred income liability or
- the date that the related item is recognized in the Financial Statements.

If the transaction is recognized in stages; then a transaction date will be established for each stage.

B. Revenue Recognition

Revenue Recognition:

The Company recognises revenue when the same can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue from sale of products:

Revenue from sale of products is recognised on satisfaction of performance obligations by the Company on transfer of control of ownership attached to the goods to customers. The revenue is measured at the amount of transaction price net of returns, applicable discounts and allowances offered by the Company as a part of the contract and are excluding the amounts collected on behalf of third parties.

Revenue from contracts with customers:

Revenue from contracts with customers is recognised when the Company satisfies

performance obligation by transferring promised goods and services (assets) to the customers. The Company recognises revenue over the period of time, as performance obligations are satisfied over time due to continuous transfer of control to the customer. Such contracts are generally accounted for as a single performance obligation as it involves integration of goods and services. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

Any amount of income accrued but not billed to customers in respect of any contracts is recorded as a contract asset. Such contract assets are transferred to trade receivables on actual billing to customers. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or an amount of consideration is due from the customer. Such contract liabilities are recognised as revenue when the Company performs under the contract. Transaction price is recognised based on the price specified in the contract.

Sales includes transport and other costs recovered separately from the customers.

Processing income:

Revenue from services is recognized as and when the services are rendered on proportionate completion method.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Other Operating Revenue:

Export benefits under Duty Drawback benefits and Remission of Duties and Taxes on Export Products Scheme (RoDTEP) are accounted as revenue on accrual basis as and when export of goods take place, where there is a reasonable assurance that the benefits will be received, and the Company will comply with all the attached conditions.

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and using effective interest rate.

C. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided.

ii. Post employment benefit plans

The Company has two types of post employment benefit plans i.e Defined contribution plan and defined benefit plan

a) Defined contribution plans

Provident Fund Scheme

The Group's state governed provident fund scheme; superannuation scheme are the defined contribution plans. The contribution paid / payable under the scheme is recognised during the period employee renders the service.

Superannuation Scheme

The Company's contribution paid/payable under the scheme is recognised as expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

Gratuity Fund

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The obligation towards defined benefit plan is measured at present value of estimated future cash flows using a discount rate based on government bond yield having maturity period similar to weighted average maturity profile of defined benefit obligation at the end of each balance sheet date.

Re-measurement 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 immediately in OCI. Net interest expense and other expenses related to defined benefit plans are recognised in profit or 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 or the gain or loss on curtailment is recognised immediately in statement of profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Other long-term employee benefits

Long-term Compensated Absences are recognised for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

D. Income Tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit or loss except when it relates to an item recognised directly in equity or OCI, in which case, they are recognised in equity or OCI respectively.

i. Current tax

Current tax comprises the expected tax payable on taxable profits calculated using tax rate enacted or substantially enacted at the reporting date

ii. 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 amounts used for taxation purposes.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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

E. Inventories

Inventories and work in progress are measured at the lower of cost and net realizable value. Inventory of scrap is valued at estimated realizable value. The cost of inventories is determined using the weighted average cost method. Cost includes direct materials, labour, other direct cost and manufacturing overheads. Inventories also includes applicable taxes, other than those which are subsequently recoverable from tax authorities.

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

Raw materials, packing materials, stock in trade, work-in-progress, finished goods, project material for long term contracts, scrap materials and stores and spares are valued at lower of cost or net realizable value ("NRV") after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials and stores and spares is determined on a weighted average basis and includes all applicable costs, including hedging costs, wherever applicable and further includes inward freight and other costs incurred in bringing goods to their present location and condition. Cost of work-in-progress and finished goods includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed. Cost of stock-in-trade includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

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

Carrying value of inventory is adjusted for effective portion of changes in fair value of hedging instrument.

F. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment except for freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. Freehold land which is carried at cost less accumulated impairment losses, if any. Spare parts which are meeting the requirement of property, plant and equipment are capitalised as property, plant and equipment. All other types of spare parts are charged to the statement of profit and loss.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss from the disposal of an item of property, plant and equipment is recognised in statement of profit and loss when it is derecognised

The residual value and useful lives of property, plant and equipment are reviewed during each financial year and changes if any are accounted for as change in account estimate on a prospective basis.

The cost of the property, plant and equipment at 1st April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value at that date.

ii. Depreciation

Depreciation is provided, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 after taking into account estimated residual value except in the case where the estimated useful life based on management experience and technical evaluation differs.

Depreciation is charged on the Straight-Line method (SLM) or the Written Down Value method (WDV) based on the method consistently followed by the respective divisions in the Company. The depreciation method followed by each division is as below:

Particulars	Conductor Division	Oil Division	Cable Division	Head Office
Leasehold Land	SLM	SLM	SLM	SLM
Buildings	SLM	SLM	SLM	SLM
Plant and Equipment	SLM	SLM	SLM	SLM
Furniture and Fixtures	SLM	WDV	SLM	WDV
Office Equipment	SLM	WDV	SLM	WDV
Motor Vehicles	SLM	WDV	SLM	WDV

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Capital expenditure in respect of which ownership does not vest with the Company is amortized over a period of five years. Leasehold land is amortised over the period of lease.

Estimated useful life as per technical estimates of the Company in Plant & Equipment's are as below:

Description of Assets	Useful Life in Schedule II	Useful Life as per technical estimates
Plant and Equipment's –Oil division (other than filling lines)	15 Years	20 Years
Plant and Equipment's - Conductor Division	15 Years	20 Years
Plant and Equipment's - Cable Division	15 Years	25 Years

G. Intangible Assets

Intangible assets having finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets having indefinite useful life are measured at cost.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Intangible asset having finite useful life is amortised on a straight line basis over their useful life. Intangible assets having indefinite useful life is not amortised but tested for impairment.

Enterprise Resource Planning Software cost: Cost of implementation of ERP Software including all related direct expenditure is amortized over a period of 5 years on successful implementation.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

The cost of the intangible assets at 1st April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value at that date.

Capital work in progress / Intangible assets under development

Expenditure, including eligible borrowing cost, net of income earned, during the construction/development period of Property, Plant and Equipment, and Intangible Assets, is included under capital work-in-progress or intangible assets under development, as the case be, and the same is attributed to the respective assets when they are ready for intended use.

H. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

I. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as Foreign Exchange Forward Contracts, Commodity Future Contracts.

i. Financial assets

Classification

The financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of its business model for management of the financial assets and the contractual cash flow characteristics of the financial asset.

- Equity instruments and mutual funds, the Group elects, on an instrument by instrument basis, to classify it either as FVOCI or FVTPL. Such election is made on initial recognition and is irrevocable.
- Derivative financial instruments which are designated as effective hedging instruments are accounted as per hedge accounting requirement, as described below.
- Financial assets other than those described above are measured at amortised cost.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial assets measured at fair value through profit or loss, transaction costs are recognised in the consolidated statement of profit and loss. In case financial assets are not measured at fair value through profit or loss, transaction costs are added to the fair value.

Trade receivables that do not contain a significant financing component are measured at transaction price.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent recognition and measurement

Financial instruments which are measured at amortised cost are recognised using effective interest method ("EIR"). EIR is a rate that discounts future cash flows including discounts or premium on acquisition, fees or costs incurred on acquisition to a net carrying amount of financial instrument, on initial recognition. Interest income on EIR amortisation and impairment losses, if any, are recognised in the consolidated statement of profit and loss.

Financial assets which are measured at FVTOCI, gains and losses arising from changes in fair value, including impairment loss if any are recognised in the other comprehensive income and accumulated in other equity

Financial assets which are measured at FVTPL, gains and losses arising from changes in fair value including impairment loss if any are recognised in the consolidated statement of profit and loss.

Derecognition

- A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
 - The rights to receive cash flows from the asset have expired, or

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company uses expected credit loss model with respect to impairment loss on financial assets.

- Impairment loss on trade receivables is recognised using life time expected credit loss model. This model involves use of a provision matrix which is based on historical credit loss experience and is adjusted for forward looking information
- Impairment loss on equity instrument is recognised when carrying amount exceeds its recoverable amount.
- Impairment loss on financial instrument measured at amortised cost are deducted from equity and are recognised in the consolidated statement of profit and loss. Financial instruments measured at FVTPL, impairment loss is recognised in consolidated statement of profit and loss. Financial instruments measured at FVTOCI, impairment loss is recognised in other comprehensive income
- Gross carrying amount of financial instrument is written off to the extent there is no prospect of recovery. Such financial instruments could still be subject to enforcement activities under the Group's recovery procedure, taking into account legal advice as appropriate. Any recovery made subsequent to write off is recognised in the consolidated statement of profit and loss under other income.

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

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

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Derecognition

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

Offsetting of financial instruments

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

iii. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash Flow Hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under the "effective portion of cash flow hedges". The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on the present value basis, from the inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit and loss in the same period or periods during which the hedged expected future cash flows affect profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial items cost of initial recognition or for other cash flow hedges, it is reclassified to profit and loss in the same period as the hedged future cash flows affect the profit and loss.

If the hedged cash flows are no longer expected to occur, then the amounts that have been accumulated in the other equity are immediately reclassified to profit and loss.

The Company formally designates foreign currency denominated financial liabilities relating to imported raw materials, in one of the division, in a cash flow hedge relationship for hedging of foreign exchange risk associated with highly probable future sales transactions. The Effective portion of gains or losses arising on restatement of the foreign currency denominated financial liabilities is initially recognized in other comprehensive income and is reclassified to profit or loss in the period of settlement when the sales are affected. Ineffective portions, if any, is charged to profit or loss.

J. Provisions and contingent liabilities

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Provisions are determined by discounting the expected future cash flows specific to the liability using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised in the statement of profit and loss as a finance cost. A provision for onerous contracts 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. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A disclosure for a contingent liability is made when there is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that may, but will probably not, require an outflow of resources.

A contingent asset is not recognised but disclosed in the Financial Statements where an inflow of economic benefit is probable.

K. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the contract contains a lease, it is accounted as right to use asset and the corresponding lease liability. The Company elects, not to recognise lease contract as lease asset and lease liability for short term leases with a lease term of not more than 12 months and to leases of low value assets.

- Right to use asset is measured at cost, which comprises of initial amount of lease liability adjusted for advanced lease payments plus initial direct cost and estimated cost to dismantle and remove the asset. The right to use asset is measured at a cost model and is depreciated on a straight line basis over a period of lease term or useful life, whichever is lower.
- Initial measurement of lease liability is made at present value of lease payments discounted at incremental borrowing rate. Subsequently, lease liability is reduced to the extent of lease payments and increases to the extent of unwinding of interest on lease liability.
- Lease payments associated with the short term and low value is recognised in the consolidated statement of profit and loss on a straight line basis over a period of lease term

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

L. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

M. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

N. Segment Reporting

The Chief Operating Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the Financial Statements. Operating segments have been identified on the basis of nature of products / services.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

The Segment disclosure are given in the Consolidated Financial Statements by virtue of exemption given in Ind AS – “Operating Segment”.

O. Cash settled employee stock options

For cash settled share-based payments, a liability is recognised for the services availed. It is measured initially at the fair value of the liability. At the end of the reporting period, until liability is settled as well as at the end of the settlement, the fair value of liability is remeasured with any changes in fair value is recognised in statement of profit and loss.

P. Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Q. Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

R. Dividends

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

S. Recent Amendments

The MCA has not notified any new standards or amendments to the existing standards.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 3 Property, plant and equipment

(₹ crore)

Particulars	Gross block					Depreciation			Net block	
	As at April 01, 2023	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2024	As at April 01, 2023	For the year	Deductions/ adjustments	As at March 31, 2024	As at March 31, 2024
(i) Tangible assets										
Land- freehold	39.50	71.14	-	-	110.64	-	-	-	-	110.64
Land-leasehold	10.89	1.06	-	-	11.95	1.12	0.15	-	1.27	10.68
Building (Refer note a) and d) below)	310.73	71.62	(1.19)	-	381.16	62.76	12.39	(0.12)	75.03	306.13
Plant and machinery (Refer note a) and b) below)	802.95	194.51	(7.97)	-	989.49	360.91	77.35	(5.77)	432.49	557.00
Furniture and fixtures	14.75	0.49	(0.01)	-	15.23	8.68	1.41	(0.01)	10.09	5.14
Office equipments	48.07	6.59	(3.14)	-	51.52	23.82	3.33	(2.75)	24.40	27.12
Motor vehicles	9.12	3.68	(0.74)	-	12.06	4.20	1.65	(0.67)	5.18	6.88
Sub total (i)	1,236.01	349.09	(13.05)	-	1,572.05	461.49	96.28	(9.32)	548.46	1,023.59
(ii) Capital work-in-progress										
Buildings	-	-	-	-	-	-	-	-	-	14.70
Plant and equipments	-	-	-	-	-	-	-	-	-	105.96
Sub total (ii)	-	-	-	-	-	-	-	-	-	120.66
Grand Total										1,144.25

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 3 Property, plant and equipment (Contd)

(₹ crore)

Particulars	Gross block			Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	Depreciation			Net block As at March 31, 2023
	Additions	Deductions/ adjustments					For the year	Deductions/ adjustments	As at March 31, 2023	
(i) Tangible assets										
Land- freehold	39.45	0.05	-	-	39.50	-	0.00	-	0.00	39.50
Land-leasehold	10.89	-	-	-	10.89	0.98	0.14	-	1.12	9.77
Building (Refer note d) below)	281.98	28.75	(0.00)	-	310.73	52.06	10.70	(0.00)	62.76	247.97
Plant and machinery (Refer note a) and b) below)	702.37	110.98	(10.40)	-	802.95	300.25	69.69	(9.03)	360.91	442.04
Furniture and fixtures	13.94	0.83	(0.02)	-	14.75	6.92	1.78	(0.02)	8.68	6.07
Office equipments	44.85	3.64	(0.42)	-	48.07	21.01	3.13	(0.32)	23.82	24.25
Motor vehicles	8.62	1.45	(0.95)	-	9.12	3.44	1.58	(0.82)	4.20	4.92
Sub total (i)	1,102.10	145.70	(11.79)	-	1,236.01	384.66	87.02	(10.19)	461.49	774.52
(ii) Capital work-in-progress										
Buildings	-	-	-	-	-	-	-	-	-	17.78
Plant and equipments	-	-	-	-	-	-	-	-	-	81.29
Sub total (ii)	-	-	-	-	-	-	-	-	-	99.07
Grand Total										873.59

Capital work-in-progress ageing schedule

(₹ crore)

Particulars	As at March 31, 2024			As at March 31, 2023			Total
	Less than 1 year	1 - 2 years	2 - 3 years	Less than 1 year	1 - 2 years	2 - 3 years	
Projects in progress	111.48	9.18	-	80.83	18.22	0.02	99.07
Projects temporarily suspended	-	-	-	-	-	-	-
Total	111.48	9.18	-	80.83	18.22	0.02	99.07

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 3 Property, plant and equipment (Contd)

Capital work-in-progress completion schedule

Particulars	As at March 31, 2024			As at March 31, 2023		
	To be completed in			To be completed in		
	Less than 1 year	1 - 2 years	2- 3 years	Less than 1 year	1 - 2 years	2- 3 years
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Total	-	-	-	-	-	-

(₹ crore)

Note 4 Right of use assets

Particulars	Gross block			Amortisation			Net block	
	As at April 01, 2023	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2024	As at April 01, 2023	For the year	As at March 31, 2024
Right of use assets	31.72	7.31	(2.63)	-	36.40	14.18	5.73	17.65
Grand Total	31.72	7.31	(2.63)	-	36.40	14.18	5.73	17.65

(₹ crore)

Particulars	Gross block			Amortisation			Net block	
	As at April 01, 2022	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	As at March 31, 2023
Right of use assets	23.35	8.37	-	-	31.72	10.02	4.16	14.18
Grand Total	23.35	8.37	-	-	31.72	10.02	4.16	14.18

(₹ crore)

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 5 Other intangible assets

(₹ crore)

Particulars	Gross block			Amortisation			Net block As at March 31, 2024			
	As at April 01, 2023	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2024	As at April 01, 2023		For the year	Deductions/ adjustments	As at March 31, 2024
Specialised software	8.11	0.54	-	-	8.65	6.99	0.56	-	7.55	1.09
Non compete fee	0.41	-	(0.41)	-	0.00	0.41	-	(0.41)	0.00	(0.00)
Intangible asset under development	8.52	0.54	(0.41)	-	8.65	7.40	0.56	(0.41)	7.55	1.09
Total	8.52	0.54	(0.41)	-	8.65	7.40	0.56	(0.41)	7.56	2.81

(₹ crore)

Particulars	Gross block			Amortisation			Net block As at March 31, 2023			
	As at April 01, 2022	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022		For the year	Deductions/ adjustments	As at March 31, 2023
Specialised software	7.72	0.39	-	-	8.11	6.26	0.73	-	6.99	1.12
Non compete fee	0.41	-	-	-	0.41	0.38	0.03	-	0.41	-
Total	8.13	0.39	-	-	8.52	6.64	0.76	-	7.40	1.12
Intangible asset under development					-	-	-		-	0.24
Total	8.13	0.39	-	-	8.52	6.65	0.76	-	7.40	1.36

Intangible asset under development ageing schedule

(₹ crore)

Particulars	As at March 31, 2024				Total	As at March 31, 2023			Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		Less than 1 year	1 - 2 years	2 - 3 years	
Projects in progress	1.72	-	-	-	1.72	0.24	-	-	0.24
Projects temporarily suspended	-	-	-	-	-	-	-	-	-
Total	1.72	-	-	-	1.72	0.24	-	-	0.24

Note:

- Includes expenditure on research and development ₹3.50 crore, (previous year ₹0.36 crore) for building and plant and machinery (refer note 52)
- As at the end of the year, the unamortised portion of interest cost capitalised in earlier years in respect of foreign currency borrowings is ₹3.87 crore (previous year ₹4.83 crore)
- Refer note 21 a) for details of existence and amounts of restrictions on the title and property, plant and equipment pledged as securities
- The Company holds all the title deeds of immovable property and there are no immovable property which are not being held in the name of the Company during current year and previous year

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 6 Non-Current Investments

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments in equity instruments		
In subsidiary companies (carried at cost)		
Petroleum Specialities Pte Limited, Singapore		
- 100,000; (previous year 100,000) Ordinary shares of S\$ 1, each fully paid	0.26	0.26
Apar Transmission & Distribution Projects Private Limited		
- 10,000 (previous year 10,000) Equity shares of ₹10, each fully paid	0.01	0.01
Apar Distribution & Logistics Private Limited		
- 10,00,000 (previous year 10,00,000) Equity shares of ₹10, each fully paid	1.00	1.00
CEMA Wires & Cables LLC (previously known as CEMA Wires & Cables Inc)	0.42	-
- 100 (previous year Nil) common stock of \$ 0.01 per common stock, each fully paid		
In associate companies (carried at cost)		
Amfoil APAR Lubricants Private Limited	0.40	0.40
- 4,00,000 (previous year 4,00,000) Equity shares of ₹10, each fully paid		
Clean Max Rudra Private Limited (Refer Note 1 below)	7.59	3.80
- 49,889 (previous year 25,946) equity shares of ₹10, each fully paid up		
	9.68	5.47
a. Aggregate amount of quoted investments	-	-
b. Aggregate amount of un-quoted investments	9.68	5.47
c. Aggregate amount of impairment in values of investments refer note below	-	-

Note:

- Investment is made for consumption of solar hybrid power generated by the power plant maintained by the associate. In view of the same, investment has been stated at cost on initial recognition
- The Company has incorporated a subsidiary Apar Middle East Limited, Saudi Arabia. As at March 31, 2024 pending certain regulatory formalities and compliances, the Company has not made any investment into the said Company. Apar Middle East Limited has not commenced any operation till March 31, 2024

Note - Disclosure pursuant to Ind AS 27 - "Separate Financial Statements"

Effective Proportion of ownership (%) *

Name of Company	Principal place of business	As at March 31, 2024	As at March 31, 2023
Subsidiary Company			
Petroleum Specialities Pte Limited	Singapore	100%	100%
Apar Transmission & Distribution Projects Private Limited	India	100%	100%
Apar Distribution & Logistics Private Limited	India	100%	100%
CEMA Wires & Cables Inc	United States	100%	100%
Associate Company			
AMPOIL Apar Lubricants Private Limited	India	40%	40%
Clean Max Rudra Private Limited	India	26%	26%

* Effective proportion of voting power is same as effective proportion of ownership

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 7 Non-Current Loans

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured		
Loan to employees	2.29	2.51
Total	2.29	2.51

Note 8 Derivative Financial Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Derivative contracts - Non current	1.00	-
Derivative contracts - Current	18.39	34.53
Total	19.39	34.53

Note 9 Other Financial Assets Non-Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits	10.83	8.69
Fixed deposits with maturity of more than 12 months (Refer Note below)	0.80	0.80
Total	11.63	9.49

Note : All fixed deposits are under lien

Note 10 Other Non-Current Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital advances	30.28	55.81
Balance with government authorities	2.33	3.47
Prepayments	1.89	1.76
Total	34.50	61.04

Note 11 Inventories

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw materials and Packing materials	906.64	960.68
Raw materials and Packing materials -in transit	263.35	169.47
Work-in-progress	463.79	410.69
Finished goods	537.25	450.36
Finished goods - in transit	358.26	374.20
Stock-in-trade	44.24	32.64
Stock-in-trade - in transit	-	0.03
Stores and spares	69.13	62.68
Total	2,642.66	2,460.75

Note : Inventories are valued at lower of cost (computed on weighted average basis) and net realisable value

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 12 Current Investments

(₹ crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Units	Amount	Units	Amount
Investment in equity instruments measured at FVTPL				
Investment in mutual funds				
Canara Robeco Liquid Fund Direct Growth Plan	-	-	2,58,616.16	30.01
SBI Overnight Fund Direct Growth Plan	703.89	0.27	54,835.22	20.09
Total	703.89	0.27	3,13,451.38	50.10
a. Aggregate amount of quoted investments				
Book value		0.27		50.10
Market value		0.27		50.10
b. Aggregate amount of un-quoted investments		-		-
c. Aggregate amount of impairment in values of investments		-		-

All the above securities have been classified and measured at FVTPL. Information about the Company's fair values and risk management disclosure are included in Note 44

Note 13 Trade Receivables

(₹ crore)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Considered good, secured	-	-	2,784.72	2,095.83
Considered good, unsecured (refer note ii) below	11.52	27.51	951.90	892.58
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables, credit impaired	-	-	76.90	45.23
	11.52	27.51	3,813.52	3,033.64
Less: Loss allowance	-	-	87.47	46.20
Total	11.52	27.51	3,726.05	2,987.44

Note :

- Refer note 22 for receivables offered as security against borrowing
- Receivable from subsidiaries (including step down subsidiaries) & associate is as below; (Also Refer note 49)

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Subsidiaries:-		
Petroleum Specilities FZE	18.23	15.63
Associates:-		
Ampoil Apar Lubricants Private Limited	0.02	0.02
Total	18.25	15.65

The Company's exposure to credit and currency risk related to trade receivables is disclosed in Note 45

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 13 Trade Receivables (Contd)

Trade receivable ageing

(₹ crore)

As at March 31, 2024	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	2,926.19	642.34	70.89	57.54	6.11	45.07	3,748.14
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - credit impaired	0.17	18.21	3.15	27.91	11.58	15.08	76.10
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	0.80	0.80
Total	2,926.36	660.55	74.04	85.45	17.69	60.95	3,825.04
Less: loss allowances							87.47
Trade receivable net of loss allowance							3,737.57
Of the above current trade receivable							3,726.05
Of the above non-current trade receivable							11.52

Trade receivable ageing

(₹ crore)

As at March 31, 2023	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	2,383.13	481.52	70.37	21.44	53.03	6.43	3,015.92
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - credit impaired	-	3.71	0.95	7.45	4.49	20.21	36.81
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	0.05	2.32	0.06	5.99	8.42
Total	2,383.13	485.23	71.37	31.21	57.58	32.63	3,061.15
Less: loss allowances							46.20
Trade receivable net of loss allowance							3,014.95
Of the above current trade receivable							2,987.44
Of the above non-current trade receivable							27.51

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 14 Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks (includes remittance in transit ₹ 37.91 crores (previous year ₹ Nil))	542.63	407.41
Deposits with original maturity of less than three months	15.07	-
Cash on hand	0.93	0.27
Total	558.63	407.68

Note 15 Bank Balance other than Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with original maturity for more than 3 months but less than 12 months (refer note i below)	33.65	9.35
Margin money deposit (refer note ii below)	26.72	19.56
Unclaimed dividend account	0.88	0.81
Balances with bank in foreign currencies having restriction on repatriation	0.78	1.56
Total	62.03	31.28

Note:

- All fixed deposits are given as a security against the issuance of bank guarantee
- The Company has placed ₹12.22 (previous year ₹5.06 crores) against letters of credit for import of raw materials and working capital loans for one of its division. Balance ₹14.50 crores (previous year ₹14.50 crores) is interest free margin against performance guarantees

Note 16 Loans

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured		
Loan to employees	1.14	1.09
Total	1.14	1.09

Note 17 Other Financial Assets - Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	9.21	7.14
Advances to related parties (refer note below)	0.01	0.32
Contract assets (refer note 53 iv)	44.38	35.43
Interest accrued but not due	3.37	0.94
Total	56.97	43.83

Note: Disclosure pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - loans and advances to subsidiary companies and other related parties

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 17 Other Financial Assets - Current (Contd.)

(₹ crore)

Particulars	Maximum amount due at any time during the year	
	As at March 31, 2024	As at March 31, 2023
Apar Investments (Singapore) Pte Ltd.	0.01	0.05
Petroleum Specialities FZE	-	0.17
Apar Distribution & Logistics Private Limited	-	0.10
Total	0.01	0.32

Note 18 Other Current Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with statutory / government authorities	282.09	291.46
Prepayments	48.94	46.62
Claims receivable	56.84	113.57
Other receivable	6.75	2.76
Advance to vendors	236.36	89.93
Total	630.98	544.34

Note 19 Equity Share Capital

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised :		
10,19,98,750 (Previous year 10,19,98,750) Equity shares of ₹10 each	102.00	102.00
	102.00	102.00
Issued :		
4,01,68,315 (Previous year 3,82,68,619) Equity shares of ₹10 each	40.17	38.27
	40.17	38.27
Subscribed and paid up :		
4,01,68,315 (Previous year 3,82,68,619) Equity shares of ₹10 each	40.17	38.27
	40.17	38.27

Reconciliation of number of shares outstanding at the beginning and end of the year :

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding at the beginning of the year	3,82,68,619	3,82,68,619
Issue of equity shares (refer Note 55)	18,99,696	-
Outstanding at the end of the year	4,01,68,315	3,82,68,619

Terms/rights attached to equity shares

- The Company has one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 19 Equity Share Capital (Contd.)

Proposed Dividend

The Company declares and pays dividends in Indian rupees. The Board of Directors of the Company have recommended final dividend for the financial year ended March 31, 2024 @ ₹51 per share aggregating to ₹204.86 crores on 4,01,68,315 Equity shares having face value of ₹10/- each fully paid. This will be paid after approval of shareholders at the ensuing Annual General Meeting.

The actual dividend amount is dependent upon the relevant share capital outstanding as on the record date / book closure.

Shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
Kushal N. Desai	92,08,503	22.92	92,08,503	24.06
Chaitanya N. Desai	91,24,185	22.71	91,24,185	23.84
Maithili N. Desai Family Pvt. Trust No. 2 - Trustee Maithili Trusteeship Services Private Limited	44,28,187	11.02	44,02,687	11.50
HDFC Trustee Company Limited	*	*	24,18,293	6.32

* since shareholding is less than 5% it is not disclosed

Shares reserved for issue under options

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Shareholding of Promoter / Promoter Group - shares held by promoters at the end of the year

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Kushal N. Desai	92,08,503	22.92	(1.14)	92,08,503	24.06	-
Chaitanya N. Desai	91,24,185	22.71	(1.13)	91,24,185	23.84	0.07
Maithili N. Desai Family Pvt. Trust No. 2	44,28,187	11.02	(0.48)	44,02,687	11.50	-
Apar Corporation Pvt Ltd	84,353	0.21	(0.08)	1,09,853	0.29	-
Rishabh K. Desai	42,398	0.11	0.00^	42,398	0.11	-
Gaurangi K. Desai	3,200	0.01	0.00^	3,200	0.01	-
Noopur K. Desai	2,139	0.01	0.00^	2,139	0.01	-
Jinisha C. Desai	500	0.00^	0.00^	500	0.00^	-
Devharsh C. Desai	1,31,555	0.33	(0.01)	1,31,555	0.34	-
Maithili N. Desai Family Pvt. Trust	98,983	0.25	(0.01)	98,983	0.26	-
Maithili Trusteeship Services Pvt. Ltd.	300	0.00^	0.00^	300	0.00^	-
Kushal N. Desai Family Private Trust	40,000	0.10	0.00^	40,000	0.10	-
Chaitanya N. Desai Family Private Trust	40,000	0.10	0.00^	40,000	0.10	-

^ denotes holding less than 0.01%

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 20 Other Equity

A) Reserves and Surplus

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserve	23.47	23.47
Securities premium	1,190.25	205.18
Capital redemption reserve	14.98	14.98
General reserve	352.30	352.30
Retained earnings - surplus	2,087.64	1,417.43
Reserves and surplus	3,668.64	2,013.36

Note: The nature and purpose of each of the reserves have been explained under statement of changes in Equity

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserve		
Opening balance	23.47	23.47
Increase / (decrease) during the year	-	-
Closing balance	23.47	23.47
Securities premium		
Opening balance	205.18	205.18
Increase / (decrease) during the year (refer note 55)	985.07	-
Closing balance	1,190.25	205.18
Capital redemption reserve		
Opening balance	14.98	14.98
Increase / (decrease) during the year	-	-
Closing balance	14.98	14.98
General reserve		
Opening balance	352.30	292.30
Transfer from retained earnings	-	60.00
Closing balance	352.30	352.30
Retained earnings - surplus		
Opening balance	1,417.43	932.17
Profit for the year	823.28	602.66
Transfer to general reserves	-	(60.00)
Final dividend paid on equity shares	(153.07)	(57.40)
Closing balance	2,087.64	1,417.43

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 20 Other Equity (Contd)

B) Other Comprehensive Income

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Hedging reserve	(5.51)	14.59
Re-measurement of defined benefit plan	(7.57)	(6.72)
Items of other comprehensive income	(13.09)	7.87
Hedging reserve		
Opening balance	14.59	85.34
Other comprehensive income gain / (loss) for the year	(20.10)	(70.75)
Closing balance	(5.51)	14.59
Remeasurement of defined benefit liability (asset)		
Opening balance	(6.72)	(6.61)
Other comprehensive income gain / (loss) for the year	(0.85)	(0.11)
Closing balance	(7.57)	(6.72)

Note 21 Long Term Borrowings

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Term loans (Secured)		
Foreign currency term loans from banks (External Commercial Borrowings)	334.31	151.37
Total	334.31	151.37

For current portion of long term borrowings refer note 25

Foreign currency loan are taken from State Bank of India, Tokyo and State Bank of India Gift City . The details of security and terms of repayment is as under

a) Details of security

The Foreign Currency Term Loan from State Bank of India, Tokyo:- It is secured by way of a First Charge on movable and immovable fixed assets of the Company by way of Hypothecation / Equitable Mortgage of Khatalwad Unit and Office Building (Building No. 4 Corporate park, Chembur). Minimum Fixed Assets Coverage Ratio (FACR) of 1.25 to be maintained during the entire tenor of the loan.

The Foreign Currency Term Loan from State Bank of India, Gift City:- It is secured by way of a first charge on movable and immovable fixed assets of the Company (Office premises of building no 4 corporate park chembur, manufacturing facilities at Lapanga, Jharsuguda and Khatalwada unit, central warehousing and testing unit at silvassa) by way of Hypothecation/Equitable Mortgage. Minimum Fixed Assets Coverage Ratio (FACR) of 1.25 to be maintained during the entire tenor of the loan.

b) Terms of repayment and interest rate of term loan :

Foreign currency term loan from State Bank of India, Tokyo:- Loan is to be repaid in 20 structured quarterly installments. The repayment has started from 05 September 2021 onwards. First 4 quarterly installments will be of \$ 0.5 million each, next 5 quarterly installments will be of \$ 0.75 million each, next 1 installment will be \$1 million, next 5 quarterly installments of \$ 1.75 million each, next 2 installment will be of \$2 million each and balance 3 installments will be of \$ 2.50 each. The interest is payable at 3 months Libor + 1.70% on quarterly basis.

Foreign currency term loan from State Bank of India, Gift City:- It has a moratorium period of 18 months starting from August 2024. Loan is to be repaid in 21 structured quarterly installments. First 8 quarterly installments will be \$1.11 million each, next 10 quarterly installments will be of \$1.60 million each and balance 3 quarterly installments will be of \$1.73 million each. The interest is payable at 3 months SOFR + 1.97% on quarterly basis. Out of the total sanctioned limit of \$ 40 million, \$ 30 million has been drawn down till the end of the reporting date.

The Company does not have any continuing default as on the Balance Sheet date in respect of repayment of principle and interest

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 21 Long Term Borrowings (Contd)

c) Changes in liabilities arising from financing activities

(₹ crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Long Term	Short Term	Long Term	Short Term
Opening Balances				
Long term borrowing	151.37	-	195.37	-
Short term borrowing (refer note 25)	-	155.07	-	83.49
Current maturities of long term borrowing (refer note 25)	58.52	(58.52)	44.43	(44.43)
Total Opening Balance	209.89	96.55	239.80	39.06
Cash flow movements				
Proceeds / (repayments) from long term borrowings - net	192.70	-	(38.86)	-
Proceeds / (repayments) from short term borrowings - net	-	(96.51)	-	57.49
Total Cash Flow movements	192.70	(96.51)	(38.86)	57.49
Foreign exchange fluctuations	(1.42)	-	8.95	-
Total Foreign Exchange adjustments	(1.42)	-	8.95	-
Closing Balances				
Long term borrowing	334.31	-	151.37	-
Short term borrowing (refer note 25)	-	66.90	-	155.07
Current maturities of long term borrowing (refer note 25)	66.86	(66.86)	58.52	(58.52)
Total Closing Balance	401.17	0.04	209.89	96.55

Note 22 Derivative Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Derivatives contracts - Non Current	0.19	-
Derivatives contracts - Current	23.16	21.42
Total	23.35	21.42

Note 23 Other Financial Liabilities - Non - Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits from dealers (refer note below)	5.17	5.09
Liability for share based payments	8.22	3.44
Total	13.39	8.53

Note : Measured at amortised cost

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 24 Long Term Provisions

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
- Provision for gratuity (refer note 42)	3.10	2.75
- Provision for leave encashment	10.39	9.29
Provision for Warranties (refer Note 29)	0.29	0.27
Total	13.78	12.31

Note 25 Short Term Borrowings

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Loans		
Current Portion of Long Term Borrowing (refer Note 21)		
(i) Foreign currency term loans from bank (External Commercial Borrowing)	66.86	34.64
(ii) Rupee term loan from bank	-	23.88
Cash credit from bank	0.04	-
Unsecured Loans		
Buyer's credit facilities	-	72.03
From others (bills discounting with recourse)	-	24.52
Total	66.90	155.07

Note :

- (i) The Company does not have any continuing default as at the balance sheet date in repayment of principle and interest.
(ii) The below table provides the reconciliation between quarterly returns filed by the Company with banks and books of accounts.

(₹ crore)

Particulars	Amount as per books of account	Amount as per statement of assets filed with the banks	Difference
	(A)	(B)	(A-B)
For the quarter ended March 31, 2023 (refer note i) below)			
Trade receivable	3,014.95	2,987.44	27.51
Trade payable	(4,406.35)	(4,349.59)	(56.76)
Inventories	2,642.66	2,291.28	351.38
	1,251.26	929.13	322.13
For the quarter ended June 30, 2023 (refer note i) below)			
Trade receivable	3,200.78	3,187.43	13.35
Trade payable	(4,970.62)	(4,125.50)	(845.12)
Inventories	2,615.50	2,275.20	340.30
	845.67	1,337.13	(491.46)
For the quarter ended September 30, 2023 (refer note i) below)			
Trade receivable	3,327.11	3,303.24	23.87
Trade payable	(4,632.04)	(3,886.06)	(745.98)
Inventories	2,322.58	2,153.55	169.03
	1,017.65	1,570.73	(553.08)

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 25 Short Term Borrowings (Contd)

(₹ crore)

Particulars	Amount as per books of account	Amount as per statement of assets filed with the banks	Difference
	(A)	(B)	(A-B)
For the quarter ended December 31, 2023 (refer note i) below)			
Trade receivable	3,513.63	3,478.77	34.86
Trade payable	(5,072.52)	(4,088.95)	(983.57)
Inventories	2,935.76	2,660.53	275.23
	1,376.86	2,050.35	(673.49)

Notes :

- The statement of net assets filed with bank during the year (comprising of trade receivables, trade payables and inventory) reconcile with the books of accounts except for provision for purchase in transit, sales in transit and provision for expenses which have not been considered
- In respect of quarter ended March 31, 2024, the statement of assets are not filed with banks upto the date of approval of these financial statements

Note 26 Trade Payable

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
	Acceptances	3,628.04
Due to micro and small enterprises	28.07	84.90
Due to other than micro and small enterprises	716.04	545.33
Due to subsidiary companies (refer note 49)	34.19	70.43
Total	4,406.34	4,837.23

Note :

- There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

The disclosure as per the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
	(a) i) Principal amount unpaid as on March 31	28.07
ii) Interest due as on March 31	-	-
(b) Total interest paid on all delayed payments during the year under the provision of the Act	0.01	0.01
(c) Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this Act	0.01	0.01
(d) Interest accrued but not due	-	-
(e) The amount of further interest 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	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 26 Trade Payable (Contd)

Trade Payable ageing schedule

(₹ crore)

As at March 31, 2024	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	28.07	-	-	-	-	28.07
ii) Others	4,145.93	123.85	86.44	12.22	9.83	4,378.27
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	4,174.00	123.85	86.44	12.22	9.83	4,406.34

(₹ crore)

As at March 31, 2023	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	84.90	-	-	-	-	84.90
ii) Others	4,359.84	358.70	18.62	7.05	8.12	4,752.33
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	4,444.74	358.70	18.62	7.05	8.12	4,837.23

Note 27 Other Financial Liabilities - Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	47.63	50.77
Creditors for capital expenditure	29.48	13.83
Liability for share based payments	13.38	4.63
Unclaimed dividend (refer note below)	0.88	0.81
Salary, wages and others benefits payable to employees	16.69	11.10
Deposit from dealers	0.01	0.13
Total	108.07	81.27

Note :

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on the reporting date.

Note 28 Other Current Liabilities

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liability (refer note 53 iv)	192.43	181.08
Statutory dues	8.56	9.70
Other payables	9.23	7.45
Total	210.22	198.23

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 29 Short Term Provisions

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for gratuity (refer note 42)	-	0.21
Provision for leave benefits	3.39	1.82
Provision for warranties (refer note below)	0.14	-
Total	3.53	2.03

Movement of provision for warranties is as follows

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Opening Balance	0.27	-
Additional provision recognised during the year	0.29	0.27
Amounts utilised during the year	0.13	-
Closing Balance	0.43	0.27

Note 30 Revenue from operations

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Sale of goods	14,984.52	13,055.86
Sale of services	16.97	18.26
Other operating revenue		
Sale of scrap	64.72	53.22
Export incentives	43.07	25.21
Total	15,109.28	13,152.55

Reconciliation of revenue from contract price with customer is as follows

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Revenue as per contract price with customer	15,166.73	13,184.92
Less:- Adjustments towards discounts, rebates, incentives etc	57.45	32.37
Revenue as recognised in the financial statements	15,109.28	13,152.55

Note 31 Other Income

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Interest income on financial assets measured at amortized cost	38.29	18.45
Gain on foreign exchange translations (net)	13.08	-
Commission on corporate guarantee for a related party	3.61	3.07
Gain on sale of investments (net)	7.47	1.66
Provision for bad debts written back	7.21	-
Debts written off in earlier years now recovered	0.24	5.14
Provision no longer required written back	9.53	6.54
Miscellaneous income	9.34	7.98
Total	88.77	42.84

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 32 Cost of Material Consumed

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Inventory of raw material and packing material at the beginning of the year	1,130.15	1,026.82
Add : Purchases	11,674.45	10,454.39
	12,804.60	11,481.21
Less: Inventory of raw material and packing material at the end of the year	1,169.99	1,130.15
Total	11,634.61	10,351.06

Note 33 Changes in Inventories of Finished Goods, Stock-in -Trade and Work-in-Progress

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Inventories at the beginning of the year		
Finished goods	824.56	591.04
Work-in-progress	410.69	290.04
Traded goods	32.67	36.35
	1,267.92	917.43
Inventories at the end of the year		
Finished goods	895.50	824.56
Work-in-progress	463.79	410.69
Traded goods	44.24	32.67
	1,403.53	1,267.92
Total	(135.61)	(350.49)

Note 34 Employee Benefit Expenses

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Salaries & wages including bonuses	220.39	174.95
Contribution to provident and other funds (refer note 42)	10.71	8.57
Gratuity expense (refer Note 42)	2.58	2.52
Share based payments	18.79	8.07
Staff welfare expenses	15.57	11.60
Total	268.03	205.71

Note 35 Finance Costs

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Interest on borrowings	22.75	12.35
Interest on acceptances (suppliers credit)	242.73	151.23
Unwinding of discount on lease liabilities	1.38	1.05
Other borrowing cost	83.74	77.47
Exchange differences regarded as an adjustment to borrowing costs	15.80	48.66
Total	366.40	290.76

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 36 Depreciation and amortisation expense

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Depreciation on property, plant & equipments	96.28	87.02
Amortisation of intangible assets	0.56	0.76
Amortisation of right to use assets	5.73	4.16
Total	102.57	91.94

Note 37 Other expenses

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Stores and spares consumed	79.44	59.86
Storage charges	20.80	23.17
Power, electricity and fuel	159.06	126.20
Processing charges, fabrication and labour charges	381.95	300.55
Freight and forwarding charges	538.50	723.75
Statutory levies, duties and taxes	3.76	4.16
Insurance	22.27	19.21
Repairs and maintenance		
Plant and machinery	14.08	8.61
Buildings	4.47	2.78
Others	12.11	10.42
Advertising and sales promotion	32.44	19.73
Sales commission	187.63	174.24
Travelling and conveyance	34.15	25.69
Printing and stationery	1.85	1.70
Legal and professional fees (refer note 37A)	38.86	50.73
Loss on foreign exchange translations (net)	-	10.43
Directors' sitting fees	0.28	0.16
Commission to directors	23.13	16.76
Lease rental (refer note 54)	3.90	2.23
Expenditure on corporate social responsibility activities (refer note 37B below)	8.74	4.42
Donations	0.07	0.07
Royalty	12.47	10.78
Bank charges and commission	38.73	32.32
Bad debts written-off	1.33	30.33
Less: Loss allowances utilised	(0.94)	(25.75)
Loss Allowances for doubtful debts	49.41	34.49
Advances written-off	2.01	-
Less: Loss allowances utilised	(2.01)	-
Loss Allowances for doubtful advances	-	4.40
Loss on sale of property, plant and equipments (net)	0.54	1.51
Miscellaneous expenses	76.13	54.44
Total	1,745.20	1,727.39

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 37A Payment to auditors

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
For statutory audit	0.50	0.50
For other services (refer note below)	0.34	0.03
For reimbursement of expenses	0.00	0.00
Total	0.84	0.53

Note :

Includes ₹0.30 crores debited to securities premium account being fees for certification relating to issue of equity shares through qualified institutional placement mode during the year.

Note 37B Corporate social responsibility

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
i) Amount required to be spent by the Company during the year	8.74	4.42
ii) Amount spent during the year (in cash)	-	-
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	8.69	4.42
iii) Contribution made to entities controlled by key management personnel or individuals having significant influence (refer note 49 related party transactions)	5.96	3.28
iv) Provision made for corporate social responsibility expenditure (refer Note below)	0.05	-
v) Shortfall at the end of the year	-	-
vi) Total previous year shortfall	-	-
vii) Reason for shortfall	-	-
viii) Nature of CSR activities		
Healthcare & rural development	0.95	-
Rural development	0.88	0.02
Education & rural development	0.66	1.16
Education, empowerment and rural development	0.15	0.07
Healthcare	5.30	2.38
Healthcare, education and gender equality	0.40	0.38
Education	0.24	0.17
Healthcare & education	0.10	0.24
Animal Welfare	0.01	-

Note :

Unspent amount of ₹0.05 crores has been transferred to a special bank account subsequent to the end of the reporting date

Note 38 Earning Per Share

The calculation of basic and diluted earnings per share is based on the net profit attributable to equity shareholders and weighted-average number of ordinary shares outstanding during the year.

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Profit attributable to equity shareholders (₹ crore)	823.28	602.66
Weighted average number of equity shares at beginning of the year	3,82,68,619	3,82,68,619
Add: - Weighted average number of equity shares issued during the year	6,33,232	-
Weighted average number of equity shares at end of the year	3,89,01,851	3,82,68,619
Earning per share (Basic & Diluted) (₹)	211.63	157.48
Face value per share (₹)	10.00	10.00

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 39 Tax Expenses

Tax expense

(a) Amounts recognised in statement of profit and loss

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Current tax charge / (credit)		
In respect of current year	290.03	211.83
In respect of prior year	(3.41)	1.83
	286.62	213.66
Deferred tax charge / (credit)		
In respect of current year origination or reversal of temporary difference	(10.49)	(6.73)
	(10.49)	(6.73)
Income Tax expense for the year	276.13	206.93

(b) Amounts recognised in other comprehensive income

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Deferred tax charge / (credit)		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability / (asset)	(0.28)	(0.04)
Items that will be reclassified to profit or loss		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	(6.53)	(23.79)

(c) Amounts recognised in other equity

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Current tax charge / (credit)		
In respect of current year	(0.88)	-
	(0.88)	
Deferred tax charge / (credit)		
In respect of current year origination or reversal of temporary difference	(3.51)	-
	(3.51)	
Income Tax expense for the year recognised in equity	(4.38)	

(d) Reconciliation of effective tax rate

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Profit before tax	1,099.41	809.59
Enacted Income tax rate in India	25.168%	25.168%
Current tax expenses applying tax rate applicable to the Company	276.70	203.76
Tax effect of:		
Non-deductible tax expenses	4.50	1.11
Deduction under chapter VIA	0.02	(0.03)
Employee benefits	2.03	-
Others	(3.71)	0.26
Income tax recognised in respect of earlier years	(3.41)	1.83
Total tax expenses recognised in the statement of profit and loss	276.13	206.93

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 40 Deferred Tax Liabilities (net)

Movement in deferred tax balances

Particulars	For Year ended March 31, 2024				As at March 31, 2024		
	Net opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net closing balance	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(38.29)	(1.58)	-	-	(39.87)	-	(39.87)
Derivatives	(3.30)	3.47	6.53	-	6.70	6.70	-
Loans and borrowings	(0.26)	(1.77)	-	-	(2.02)	-	(2.02)
Employee benefits	5.58	0.42	0.28	-	6.28	6.28	-
Lease expenses	0.23	0.05	-	-	0.28	0.28	-
Deferred income	-	-	-	-	-	-	-
Provisions	14.09	9.89	-	-	23.98	23.98	-
Share issue expenses	-	-	-	3.51	3.51	3.51	-
Deferred tax assets / (liabilities)	(21.95)	10.49	6.81	3.51	(1.14)	40.76	(41.90)
Set off of deferred tax asset							40.76
Net tax assets (liabilities)							(1.14)

Particulars	For Year ended March 31, 2023				As at March 31, 2023		
	Net opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net closing balance	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(39.44)	1.15	-	-	(38.29)	-	(38.29)
Derivatives	(27.30)	0.21	23.79	-	(3.30)	-	(3.30)
Loans and borrowings	(0.37)	0.11	-	-	(0.26)	-	(0.26)
Employee benefits	4.30	1.24	0.04	-	5.58	5.58	-
Lease expenses	0.18	0.05	-	-	0.23	0.23	-
Deferred income	0.14	(0.14)	-	-	-	-	-
Provisions	9.98	4.11	-	-	14.09	14.09	-
Tax assets (liabilities)	(52.51)	6.73	23.83	-	(21.95)	19.90	(41.85)
Set off of deferred tax asset							19.90
Net tax assets (liabilities)	(52.51)	6.73	23.83	-	(21.95)	19.90	(21.95)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 41 Analysis of Financial Ratios

Particulars	March 31, 2024	March 31, 2023	Variances%	Formulae	
				Numerator	Denominator
Performance Ratios					
Net profit margin (%)	5.45%	4.58%	0.87%	Profit after tax X 100	Revenue from operations
Return on capital employed (%)	27.40%	34.44%	(7.04%)	Profit before interest on borrowings and tax X 100	Total tangible net worth + Long term borrowings + Short term borrowings + Deferred tax liability
Return on equity ratio (%)	28.61%	33.07%	(4.46%)	Profit after tax	Average total equity
Return on investment (%)	20.86%	6.22%	14.64%	Gain from sale of investments + Interest income on bank deposits X 100	Average investments + Fixed deposits
Debt service coverage ratio (times)	5.93	11.32	(47.56%)	Profit after tax + Depreciation + Interest on borrowings + Profit / Loss on sale of fixed asset	Repayment of long term borrowing + Repayment of short term borrowing + Lease payments
Leverage Ratios					
Debt - equity ratio (times)	0.11	0.15	(27.04%)	Long Term borrowing + Short term borrowing	Total equity
Liquidity Ratios					
Current ratio (times)	1.57	1.23	27.34%	Current assets	Current liabilities
Activity Ratios					
Inventory turnover ratio (times)	4.55	4.52	0.64%	Cost of material consumed + Changes in inventories + Purchase of stock in trade	Average inventory
Trade receivable turnover ratio (times)	4.48	4.83	(7.29%)	Revenue from operations	Average trade receivables
Trade payable turnover ratio (times)	2.55	2.42	5.36%	Purchases of materials and stock-in-trade	Average trade payables
Net capital turnover ratio (times)	7.55	12.01	(37.16%)	Revenue from operations	Average working capital

Reason for variation of more than 25%

Debt service coverage ratio (times)

Higher amount of repayment of principle portion during the year resulted into a change in the ratio

Debt - equity ratio (times)

The ratio has changed as a consequence of issue of equity shares to eligible qualified institutional buyers which is higher in proportion to new debt

Current ratio (times)

Due to utilisation of amounts received (from issue of shares through qualified institutional placement) to purchase raw materials, current liabilities have reduced resulting into a change in the ratio

Net capital turnover ratio (times)

Due to utilisation of money received (from issue of shares through qualified institutional placement) to purchase raw materials, working capital have reduced resulting into a change in the ratio

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 42 Employee Benefits

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution plan. Under the plan, the Company is required to contribute a specified percentage of salary cost to such plan

The Company has recognised ₹2.3 crore (previous year ₹2.1 crore) for superannuation contribution and other retirement benefit contributions in the Statement of profit and loss.

The Company has recognised ₹8.41 crore (previous year ₹6.47 crore) for provident fund contributions in the Statement of profit and loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes governed by respective plans.

(ii) Defined Benefit Plan:

The Employees' Gratuity Fund Scheme which is managed by a Trust is a defined benefit plan. 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 obligation for leave encashment is measured in the same manner as gratuity. The Company provides for leave encashment liability as per the actuarial valuation carried out as at March 31, 2024. The Company has recognised ₹3.82 crore (previous year ₹1.27 crore) for leave encashment liability in the Statement of profit and loss.

As at 31 March 2024, actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31:

Movement in net defined benefit (asset) liability

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Defined benefit obligation at beginning of the year	26.54	25.37
Current service cost	2.36	2.11
Interest cost	1.96	1.75
Re-measurement or Actuarial (gain) / loss arising from:		
Financial assumptions	0.33	(0.78)
Experience adjustment	1.60	0.41
Benefits paid	(2.10)	(2.32)
	(2.10)	(2.32)
Defined Benefit obligation at end of the year	30.69	26.54

Table showing change in Fair Value of Plan Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at beginning of the year	23.50	19.45
Interest income	1.74	1.34
Return on plan assets, excluding interest income	0.81	(0.52)
Employer contribution	3.56	5.55
Benefit paid	(2.10)	(2.32)
Fair value of plan assets at year end	27.51	23.50
Actual return on plan assets	2.55	0.82
Expected contribution for next year	5.87	4.72

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 42 Employee Benefits (Contd)

Expense recognised during the year

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Amount recognised in the Statement of profit and Loss		
Current service cost	2.36	2.11
Interest cost	1.96	1.75
Return on plan assets, excluding actuarial gain or loss	(1.74)	(1.34)
Total	2.58	2.52
Amount recognised in Other comprehensive income		
Re-measurement or Actuarial (gain) / loss arising from:		
- Demographic assumptions	-	-
- Financial assumptions	0.33	(0.78)
- Experience adjustment	1.60	0.41
Return on plan assets, excluding interest income	(0.81)	0.52
Total	1.12	0.15

Net asset / (liability) recognised in the balance sheet

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
	Gratuity	Gratuity
Fair value of plan assets as at the end of the year	27.51	23.50
Present value of obligation as at the end of the year *	(30.69)	(26.54)
Amount recognised in balance sheet *	(3.18)	(3.04)
* Includes provision for gratuity in respect of directors aggregating to ₹3.10 crores (previous year ₹2.75 crores) which is covered under unfunded gratuity plan. The same is classified as long term provision and the balance amount of ₹ nil crores (previous year ₹0.21 crores) is classified short term provision.		

Balance sheet reconciliation

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Opening net liability recognised in the balance sheet	3.04	5.92
Expenses recognised in statement of profit and loss	2.58	2.52
Expenses recognised in other comprehensive income	1.12	0.15
Employer contribution made during the year	(3.56)	(5.55)
Closing Net Liability recognised in the balance sheet	3.18	3.04

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 42 Employee Benefits (Contd)

Actuarial assumptions

In arriving at the valuation for gratuity & leave benefit following assumptions were used:

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Mortality table (LIC)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement age *	60 years - 75 years	60 years - 75 years
Employee turnover rate*	4.80% p.a. to 11.60%	4.80% p.a. to 11.60%
Discount rate	7.21%	7.41%
Expected rate of return on plan assets (per annum)	7.21%	7.41%
Rate of escalation in salary (per annum)*	6.90% p.a. to 10.00% p.a.	6.90% p.a. to 10.00% p.a.

*Range is pertaining to different divisions of the Company in respect of Employee Turnover rate and Rate of escalation in salary.

ii. Sensitivity analysis

Any reasonably possible changes in any of the actuarial assumption at the reporting date, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Effect of increase by 1%	Effect of decrease by 1%	Effect of increase by 1%	Effect of decrease by 1%
Discount rate	(1.60)	1.80	(1.40)	1.57
Salary escalation	1.76	(1.60)	1.54	(1.40)
Employee turnover	(0.15)	0.15	(0.10)	0.09

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

These plan typically exposes the Company to actuarial risks such as salary risk, investment risk, interest yield risk, longevity risk etc.

Maturity analysis of the defined benefit payments from the fund

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefits payable in future years from the date of reporting		
1 st following year	5.15	3.50
2 nd following year	2.44	2.06
3 rd following year	3.56	3.07
4 th following year	4.22	3.20
5 th following year	2.47	3.83
From 6 to 10 years	13.12	12.53
From 11 years and above	20.25	16.64

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 42 Employee Benefits (Contd)

Category of Plan Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance funds	1.32	1.22
Mutual funds	21.25	18.87
Cash and cash equivalents	4.94	3.41
Fair value of plan assets	27.51	23.50

Note 43 Share based payments

The disclosures pertaining to cash-settled share-based payment arrangements in the year are as below:

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Type of arrangement	SAR to Select Senior management	SAR to Select Senior management
Date of Grant of Share Appreciation Right (SAR)	26 th April, 2022	26 th April, 2022
Unvested number of SAR	40,000	60,000
Vesting period	1/3 rd at the end of year 1 1/3 rd at the end of year 2 1/3 rd at the end of year 3	1/3 rd at the end of year 1 1/3 rd at the end of year 2 1/3 rd at the end of year 3
Amount recognised in the balance sheet	21.59	8.07
Amount recognised in the statement of profit and loss	18.79	8.07

Note 44 Fair Value of Financial Instruments

A. Hierarchy of fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(₹ crore)

As at March 31, 2024	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Financial assets								
Investments								
- Non-current	6	-	-	9.68	9.68	-	-	-
- Current	12	0.27	-	-	0.27	0.27	-	0.27
Loans								
- Non-current	7	-	-	2.29	2.29	-	-	-
- Current	16	-	-	1.14	1.14	-	-	-
Trade receivables								
- Non-current	13	-	-	11.52	11.52	-	-	-
- Current	13	-	-	3,726.05	3,726.05	-	-	-
Cash and cash equivalents	14	-	-	558.63	558.63	-	-	-

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 44 Fair Value of Financial Instruments (Contd)

(₹ crore)

As at March 31, 2024	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Other bank balances	15	-	-	62.03	62.03	-	-	-
Other financial assets								
- Non-current	9	-	-	11.63	11.63			-
- Current	17	-	-	56.97	56.97			
Derivatives								-
- Non-current	8	-	1.00	-	1.00	-	1.00	1.00
- Current	8	0.86	17.53	-	18.39	-	18.39	18.39
Total financial assets		1.13	18.53	4,439.95	4,459.61	0.27	19.39	19.66
Financial liabilities								
Borrowings								-
- Non-current	21	-	-	334.31	334.31			
- Current	25	-	-	66.90	66.90			
Lease liabilities								
- Non-current		-	-	14.72	14.72			
- Current		-	-	5.20	5.20			
Other financial liabilities								
- Non-current	23	-	-	13.39	13.39			-
- Current	27	-	-	108.07	108.07			-
Derivatives								-
- Non-current	22	-	0.19	-	0.19	-	0.19	0.19
- Current	22	0.36	22.79	-	23.16	-	23.16	23.16
Trade payables	26	-	-	4,406.35	4,406.35			-
Total financial liabilities		0.36	22.98	4,948.93	4,972.28	-	23.35	23.35

(₹ crore)

As at March 31, 2023	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Financial assets								
Investments								
- Non-current	6	-	-	5.47	5.47	-	-	-
- Current	12	50.10	-	-	50.10	50.10	-	50.10
Loans & advances								
- Non-current	7	-	-	2.51	2.51			-
- Current	16	-	-	1.09	1.09			-
Trade receivables								-
- Non-current	13	-	-	27.51	27.51			-
- Current	13	-	-	2,987.44	2,987.44			-
Cash and cash equivalents	14	-	-	407.68	407.68			-

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 44 Fair Value of Financial Instruments (Contd)

(₹ crore)

As at March 31, 2023	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Other bank balances	15	-	-	31.28	31.28			-
Contract assets					-			
Other financial assets								
- Non-current	9	-	-	9.49	9.49			-
- Current	17	-	-	43.83	43.83			-
Derivatives								-
- Non-current	8	-	-	-	-	-	-	-
- Current	8	0.05	34.48	-	34.53	-	34.53	34.53
Total financial assets		50.15	34.48	3,516.30	3,600.93	50.10	34.53	84.63
Financial liabilities								
Borrowings								-
- Non-current	21	-	-	151.37	151.37			
- Current	25	-	-	155.07	155.07			
Leases								
- Non-current		-	-	14.20	14.20			
- Current		-	-	4.31	4.31			
Other financial liabilities								
- Non-current	23	-	-	8.53	8.53			
- Current	27	-	-	81.27	81.27			
Derivatives								
- Non-current	22	-	-	-	-	-	-	-
- Current	22	4.80	16.62	-	21.42	-	21.42	21.42
Trade payables	26	-	-	4,837.23	4,837.23			
Total financial liabilities		4.80	16.62	5,251.98	5,273.40	-	21.42	21.42

Notes:

- Fair value of financial assets and financial liabilities which are measured at amortised cost and has a fair value which is reasonably approximate to its carrying values have not been disclosed in the above table
- There are no financial instruments which are measured using level 3 valuation technique

B. Measurement of fair values

Valuation techniques and significant observable inputs

The following tables show the valuation techniques used in measuring level 2 fair values, as well as the significant observable inputs used (if any).

Financial instruments measured at fair value

Type	Valuation technique
Mutual fund investments	Net Asset value quoted by mutual funds
Commodity futures	Basis the quotes given by the LME broker/dealer.
Foreign exchange forward contracts	FEDAI rate adjusted for interpolated spreads based on residual maturity

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 45 Financial Instruments

The Company has exposure to the following risks arising from financial instruments:

- (A) Credit risk ;
- (B) Liquidity risk ; and
- (C) Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. This committee reports to the board of directors.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, 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 Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument defaults in meeting its contractual obligations. It arises principally from amounts receivables from customers and loans and advances. The Company's export receivables are covered under ECGC credit insurance policy. The Company also takes credit insurance for its domestic receivable's in Conductor & Cable division. The Company's receivable are also covered under letter of credit, trade insurance etc

At March 31, the maximum exposure (age wise) to credit risk for trade and other receivables is as follows.

Trade Receivables

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Neither past due nor impaired	2,926.36	2,383.13
past due less than 6 months	660.55	485.23
past due 6 months - 1 year	74.04	71.37
past due 1 - 2 years	85.45	31.21
past due 2 - 3 years	17.69	57.58
past due more than 3 years	60.95	32.63
Total trade receivable	3,825.04	3,061.15
Less: Loss allowance	87.47	46.20
Trade receivable net of loss allowance	3,737.57	3,014.95

Loans & advance

At March 31, the maximum exposure (net of provision) to credit risk for short term loans and advances is as follows.

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Neither past due nor impaired	3.43	3.60
past due less than 6 months	-	-
past due 6 months - 1 year	-	-
past due 1 - 2 years	-	-
past due 2 - 3 years	-	-
past due more than 3 years	-	-
	3.43	3.60

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 45 Financial Instruments (Contd)

Management believes that the unimpaired amounts which are past due are fully collectible.

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances.

The Company follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a division wise provision matrix. The provision matrix takes into account historical credit loss experience, delay in receipt of payments and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows :

Provision matrix for credit loss

Particulars	Conductor Division	Oil Division	Cable Division
Not due	0.27%	0.39%	0.24%
Past due for less than 90 days	2.74%	1.90%	0.69%
Past due for more than 90 days less than 180 days	4.97%	9.82%	1.70%
Past due for more than 180 days less than 365 days	5.40%	13.64%	2.30%
Past due for more than 365 days	5.40%	13.64%	2.30%

Provision matrix for delay in receipts

Particulars	Conductor Division	Oil Division	Cable Division
Past due for less than 90 days	4.31%	4.29%	9.56%
Past due for more than 90 days less than 180 days	29.81%	15.27%	22.68%
Past due for more than 180 days less than 365 days	85.19%	64.44%	70.21%
Past due for more than 365 days	96.77%	83.50%	93.04%

Expected credit loss is worked out on the trade receivables for which no specific provision is made.

The movement in the allowance for impairment in respect of trade receivable and short term loans and advances is as follows:

Movement in loss allowances of expected credit loss

(₹ crore)

Particulars	Trade and other receivables	Short term loans and advances
Balance as on April 01, 2022	37.46	-
Provision made during the year	34.49	4.40
Provision utilised / written back during the year	(25.75)	-
Balance as on March 31, 2023	46.20	4.40
Provision made during the year	49.41	-
Provision utilised / written back during the year	(8.15)	(2.80)
Balance as on March 31, 2024	87.47	1.60

Other non-current financial assets

Other non-current financial assets includes earnest money deposit, security deposits to customers. These advances and deposits were made in continuation of business related activities and are made after review as per company's policy.

Cash and cash equivalents

The Company holds cash and cash equivalents of ₹558.63 Crore (previous year ₹407.68 Crore). The cash and cash equivalents are held with the banks and financial institutions having good credit ratings.

Derivatives

Derivatives are entered with counterparties having good credit ratings.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 45 Financial Instruments (Contd)

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as and when they are due, under both normal and stressed conditions, without incurring significant losses or risk of damaging the Company's reputation.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments but exclude the impact of netting agreements.

(₹ crore)

As at March 31, 2024	Contractual cash flows					
	Carrying amount	Total	1 year or less	More than 1 year less than 2 years	More than 2 year less than 5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks including current maturities	401.16	419.12	67.60	105.73	189.30	56.49
Other short term borrowings	0.04	0.04	0.04	-	-	-
Trade payables	4,406.34	4,406.34	4,406.34	-	-	-
Other financial liabilities	116.29	116.29	107.31	8.98	-	-
Lease liabilities	19.92	22.55	6.46	4.98	7.58	3.53
Derivative financial liabilities						
Forward exchange contracts/ Futures used for hedging/ Natural hedging						
- Outflow	23.35	23.35	23.16	0.19	-	-

(₹ crore)

As at March 31, 2023	Contractual cash flows					
	Carrying amount	Total	1 year or less	More than 1 year less than 2 years	More than 2 year less than 5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks including current maturities	209.89	217.10	50.71	57.51	108.89	-
Other short term borrowings	96.55	96.55	96.55	-	-	-
Trade payables	4,837.23	4,837.23	4,837.23	-	-	-
Other financial liabilities	84.71	89.80	85.94	3.86	-	-
Lease liabilities	18.51	19.40	5.20	4.07	7.59	2.54
Derivative financial liabilities						
Forward exchange contracts/ Futures used for hedging/ Natural hedging						
- Outflow	21.42	21.42	21.42	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Contractual outflow of other non current financial liabilities amounting to ₹5.17 crores (previous year ₹5.09 crores) has not been included above as the amount cannot be ascertained as on the reporting date.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 45 Financial Instruments (Contd)

(C) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's profit / loss or the value of holdings of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Commodity risk

The Company is affected by the price volatility of certain commodities viz. Aluminum, Copper and Oil. Its operating activities require the ongoing purchase and manufacture of the conductors, cables and oil and thus requires continuous supply of these commodities. Due to the increase in volatility of the price of the commodities namely Aluminum and Copper, the Company has entered into forward contracts (for which there is an active market).

Currency risk

The Company is exposed to currency risk. The functional currency of the Company is Indian Rupee (₹). The Company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows.

(₹ crore)

Particulars	Currency	Trade Receivables	Cash and Cash Equivalent	Trade Payable	Net Exposure
As at March 31, 2024	USD	19.11	0.98	(26.41)	(6.31)
As at March 31, 2023		18.22	2.35	(13.64)	6.93
As at March 31, 2024	EUR	0.89	0.02	(0.05)	0.86
As at March 31, 2023		1.13	0.04	(0.03)	1.14
As at March 31, 2024	CAD	-	0.00	-	0.00
As at March 31, 2023		0.17	0.00	-	0.17
As at March 31, 2024	ETB	-	0.21	-	0.21
As at March 31, 2023		-	0.97	-	0.97
As at March 31, 2024	NPR	-	0.72	-	0.72
As at March 31, 2023		-	0.13	-	0.13
As at March 31, 2024	KES	-	0.04	-	0.04
As at March 31, 2023		-	0.04	-	0.04
As at March 31, 2024	EGP	-	0.01	-	0.01
As at March 31, 2023		-	0.01	-	0.01

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against all other currencies at 31st March would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. Sensitivity analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 45 Financial Instruments (Contd)

(₹ crore)

Particulars	Change in a rate by	As at March 31, 2024			As at March 31, 2023		
		Average Exchange Rate	Year end spot Rate	Effect on Profit / Loss	Average Exchange Rate	Year end spot Rate	Effect on Profit / Loss
US Dollars (USD)	1%	82.79	83.41	(5.27)	78.98	82.17	5.70
Euro (EURO)	1%	89.66	89.88	0.77	86.83	89.44	1.02
Canadian Dollars (CAD)	1%	60.97	61.27	0.00	60.58	60.67	0.10
Ethiopian Birr (ETB)	1%	1.50	1.47	0.00	1.77	1.53	0.01
Nepalese Rupee (NPR)	1%	0.63	0.63	0.00	0.63	0.63	0.00
Kenyan Shilling (KES)	1%	0.63	0.63	0.00	0.64	0.62	0.00
Egyptian Pound (EGP)	1%	2.22	1.76	0.00	3.41	2.67	0.00
				(4.50)			6.83

Strengthening of foreign currency as against ₹ will reduce the net profit while weakening of foreign currency as against ₹ will increase net profit. Sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises from floating interest bearing financial instrument. The Company's interest-bearing financial instruments are as follows.

(₹ crore)

Particulars	Nominal amount	
	As at March 31, 2024	As at March 31, 2023
Fixed rate financial instruments	1,219.00	1,722.48
Floating-rate financial instruments*	2,295.69	1,784.12
Total	3,514.69	3,506.60

*Floating rate instruments include letter of credit denominated in foreign currency

Interest rate sensitivity for fixed rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through Statement of profit and loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for floating-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ crore)

Particulars	For Year ended March 31, 2024		For Year ended March 31, 2023	
	Increase in 100 basis points	Decrease in 100 basis points	Increase in 100 basis points	Decrease in 100 basis points
Floating-rate instruments	(22.96)	22.96	(17.84)	17.84

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 46 Hedge Accounting

The objective of hedge accounting is to represent, in the Company's financial statements, the effect of the Company's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss.

Currency risk -

The Company's risk management policy is to hedge its estimated foreign currency exposure in respect of highly forecasted sales. The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as fair value hedges. Company's policy is to match the critical terms of the forward exchange contracts with that of the hedged item.

Commodity risk -

The Company's risk management policy is to mitigate the impact of fluctuations in the aluminium/copper/zinc prices on highly forecast purchase transactions. The Company uses futures contract to hedge its commodity risk. Such contracts are generally designated as cash flow hedges.

Interest rate -

The Company's risk management policy is to mitigate its interest rate risk exposure on floating rate borrowings by entering into fixed-rate instruments like interest rate swaps to eliminate the variability of cash flows attributable to movements in interest rates. Such hedges are designated as cash flow hedges.

For derivative contracts designated as hedge, the Company documents at inception the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The hedging book consists of transactions to hedge balance sheet assets or liabilities. The tenor of hedging instrument may be less than or equal to the tenor of underlying hedged asset or liability.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge. Hedge effectiveness is assessed through the application of critical terms match method/Dollar offset method. Any ineffectiveness in a hedging relationship is accounted for in the Statement of profit and loss

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 46 Hedge Accounting (Contd)

Sr No	Type of risk / hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Interest rate hedge	Floating rate financial asset or liability	Floating rate financial asset or liability is converted into a fixed rate financial asset or liability using a floating to fixed interest rate swap. This is usually denominated in the currency of the underlying (which in most cases is the functional currency), if not, it may be combined currency swap.	Interest rate swap	Interest rate swap is a derivative instrument whereby the Company receives or pays (in case of asset or a liability respectively) at a floating rate in return for a fixed rate asset or liability.	Cash flow hedge
2	Future contract	Highly probable purchase transaction	Mitigate the impact of fluctuations in aluminium, copper & zinc prices, on projected purchase contracts for metal.	Futures contract	Company enters into a forward derivative contract to purchase a commodity at a fixed price and at a future date. These are customized contracts transacted in the over-the-counter market. Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over-the-counter market.	Cash flow hedge
3	Forward contract	Foreign currency risk of highly probable forecast transactions	Mitigate the impact of fluctuations in foreign exchange rates.	Currency forward	Company enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts. These are customized contracts transacted in the over-the-counter market.	Cash flow hedge
4	Forecasted Export Sales	Forecasted Export Sales	Mitigate the impact of fluctuations in foreign exchange rates.	Foreign currency denominated import purchases	Company uses its Forecasted Foreign currency denominated Import Purchases to mitigate the risk of foreign currency movement in collection of Forecasted Export Sales.	Cash flow hedge

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 46 Hedge Accounting (Contd)

The Company, inter alia, takes into account the following criteria for constructing a hedge structure as part of its hedging strategy:

- The hedge is undertaken to reduce the variability in the profit & loss i.e the profit or loss arising from the hedge structure should be lesser than the profit & loss on the standalone underlying exposure. In case of cash flow hedge for covering interest rate risk the hedge shall be only undertaken to convert floating cash flows to fixed cash flows i.e. the underlying has to be a floating rate asset or liability.
- At any point in time the outstanding notional value of the derivative deal(s) undertaken for the purpose of hedging shall not exceed the underlying portfolio notional. The hedge ratio therefore does not exceed 100% at the time of establishing the hedging relationship.
- At any point in time the maturity of each underlying, forming a part of the cluster/portfolio hedged shall be higher than the maturity of the derivative hedging instrument.

The tables below provide details of the derivatives that have been designated as hedges for the periods presented:

As at 31 March 2024

	Notional principal amounts (Net)	Derivative financial instruments - assets	Derivative financial instruments - liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or (loss)	Line item in profit or loss affected by the reclassification	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	954.96	0.30	0.02	(0.17)	(3.47)	NA	NA	3.30	COGS	(3.47)	NA
Commodity contracts	68.99	18.23	22.85	61.73	(23.13)	NA	NA	84.86	COGS	(23.13)	NA
Foreign currency denominated purchases	110.18	-	0.12	(0.02)	(0.02)	NA	NA	-	Sales	(0.02)	NA

As at 31 March 2023

	Notional principal amounts (Net)	Derivative financial instruments - assets	Derivative financial instruments - liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or (loss)	Line item in profit or loss affected by the reclassification	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	829.32	0.56	1.44	1.28	2.96	NA	NA	(1.68)	COGS	2.96	NA
Commodity contracts	678.57	33.92	15.41	(141.02)	(97.53)	NA	NA	(43.49)	COGS	(97.53)	NA
Foreign currency denominated purchases	110.18	-	0.12	0.03	0.03	NA	NA	-	Sales	0.03	NA

* where hedge accounting is continued

** where hedge accounting is discontinued

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 46 Hedge Accounting (Contd)

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ crore)

Particulars	For Year ended March 31, 2024			For Year ended March 31, 2023		
	Effective portion of cash flow hedge	Deferred Tax	Net	Effective portion of cash flow hedge	Deferred Tax	Net
Opening balance	19.50	(4.91)	14.59	114.04	(28.70)	85.34
Effective portion of changes in fair value:						
a) Interest rate risk	-	-	-	-	-	-
b) Commodity price risk	61.72	(15.70)	46.02	(141.02)	35.49	(105.53)
c) Foreign currency risk	(0.17)	0.04	(0.13)	1.28	(0.32)	0.96
d) Forecasted Export Sales	(0.02)	0.01	(0.01)	0.03	(0.01)	0.02
Net amount reclassified to profit or loss:						
a) Interest rate risk	-	-	-	-	-	-
b) Commodity price risk	(84.86)	21.36	(63.50)	43.49	(10.95)	32.54
c) Foreign currency risk	(3.30)	0.83	(2.47)	1.68	(0.42)	1.26
d) Forecasted Export Sales	-	-	-	-	-	-
Net charge / credit for the year	(26.63)	6.53	(20.10)	(94.54)	23.79	(70.75)
Closing balance	(7.13)	1.62	(5.51)	19.50	(4.91)	14.59

Note 47 Capital Management

The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt / (cash) to adjusted equity ratio. For this purpose, adjusted net debt / (cash) is defined as borrowings less cash and cash equivalent where borrowings include long term borrowing and short term borrowing. Adjusted equity is defined as total equity less hedging reserve; where total equity includes equity share capital and other equity.

(₹ crore)

	As at March 31, 2024	As at March 31, 2023
Borrowings	401.21	306.44
Less : cash and cash equivalent	(558.63)	(407.68)
Adjusted net (cash) / debt	(157.42)	(101.24)
Total equity	3,695.72	2,059.49
Less : hedging reserve	(5.51)	14.59
Adjusted equity	3,701.23	2,044.91
Adjusted net (cash) / debt to adjusted equity ratio	(4.25%)	(4.95%)

Note 48 Segment Reporting

The segment reporting disclosures are given in the consolidated financial statement by virtue of exemption given in the Ind AS 108 - Operating Segment (refer note 49 of the Consolidated Financial Statement)

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 49 Related party transactions

The Company's related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business. All the transactions with related parties are on arm's length basis.

A. List of Related Parties with whom company had transaction or balances during the year are as follows:

a) Subsidiary Companies:

- 1) Petroleum Specialties Pte. Ltd, Singapore (Wholly owned subsidiary)
- 2) Petroleum Specialties FZE, Sharjah (Wholly owned subsidiary of Petroleum Specialities Pte. Ltd)
- 3) Apar Transmission & Distribution Projects Private Limited (Wholly owned subsidiary)
- 4) Apar Distribution & Logistics Private Limited (Wholly owned subsidiary)
- 6) CEMA Wires & Cables Inc. (Wholly owned subsidiary)

b) Associate Company:

- 1) Ampoil Apar Lubricants Private Limited
- 2) Clean Max Rudra Private Limited

c) Key Managerial Personnel:

- 1) Mr. K. N. Desai - Chairman & Managing Director & CEO
- 2) Mr. C. N. Desai - Managing Director
- 3) Mr. Rishabh Kushal Desai - Non Executive and Non Independent Director
- 4) Mr. Ramesh Iyer- Chief Financial Officer
- 5) Mr. Sanjaya Kunder- Company Secretary
- 6) Mr. Sai Sudhar - Director on the board of subsidiary

d) Independent Directors

- 1) Mrs. Nina Kapasi
- 2) Mr. F. B. Virani (upto November 03, 2022)
- 3) Mr. Rajesh Sehgal
- 4) Mr. Kaushal Sampat
- 5) Mrs. Nirupa Bhatt (w.e.f. 26 October 2023)

e) Relatives of Key Managerial Personnel

- 1) Ms. Maithili N. Desai
- 2) Mrs. Noopur K. Desai
- 3) Mrs. Harshana R. Desai
- 4) Ms. Gaurangi K. Desai
- 5) Mrs. Jinisha C. Desai
- 6) Mr. Devharsh C. Desai
- 7) Ms. Nitika C. Desai

f) Entities controlled by key management personnel/ individuals having significant influence:

- 1) Apar Corporation Private Limited
- 2) Apar Investment (Singapore) Pte. Ltd
- 3) Apar Investment Inc.
- 4) Apar Technologies Private Limited
- 5) Apar Technologies Pte. Ltd. (upto 25 June 2023)
- 6) Chaitanya N. Desai Family Private Trust
- 7) Maithili N. Desai Family Private Trust
- 8) Maithili N. Desai Family Private Trust No. 2
- 9) Maithili Trusteeship Services Private Limited
- 10) Kushal N. Desai Family Private Trust
- 11) Narendra D. Desai Family Private Trust
- 12) Hari Haribol Dairy Products Private Limited
- 13) Cutting Chai Technologies Private Limited (upto November 03, 2022)
- 14) DDMM Heart Institute (GMCC Care & Research Society)
- 15) Dharmsinh Desai Foundation
- 16) Dharmsinh Desai University
- 17) Sri Nityanand Education Trust
- 18) Rubix Data Sciences Private Limited (w.e.f May 22, 2022)

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 49 Related party transactions (Contd)

B. Related party transactions in ordinary course of business

(a) Subsidiary companies:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Sale of finished goods/ raw materials / traded goods	49.50	60.13
2	Purchase of finished goods/ raw materials / traded goods	3.48	-
3	Purchase of services	151.83	144.23
4	Investment made	0.42	-
5	Rent Income	0.04	0.04
6	Marketing Expenses	5.27	-
7	Commission expenses	2.37	1.09
8	Guarantee commission from the subsidiary	3.61	3.07
9	Reimbursement of expenses (net)	5.32	5.36

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Receivable for supply of raw material, finished goods, capital goods, dividend and services	18.23	15.63
2	Payable for supply of finished goods / services / reimbursements / fixed assets	34.19	70.43
3	Short term advances given	0.00	0.10
4	Guarantee given by the company on behalf of subsidiary	719.37	811.43
5	Investment	1.69	1.27
6	Commitments	165.70	40.51

b). Associate Companies:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Purchase of electricity	2.19	0.00
2	Investment made	3.79	3.80

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Investment	7.99	4.20
2	Receivable from associate company for supply of raw material & finished goods	0.02	0.02

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 49 Related party transactions (Contd)

(c) Key managerial personnel :

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Remuneration including commission	29.49	22.52
2	Dividends paid	66.15	27.83
3	Sitting fees	0.28	0.16

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Commission payable	23.23	16.76

(d) Relatives of key managerial personnel:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Dividends paid	0.49	0.21
2	Salary paid	0.21	0.25

(e) Entities controlled by key management personnel/individuals having significant influence:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Rent paid	1.79	1.79
2	Dividends paid (payment basis)	16.89	6.77
3	Sale of finished goods/ raw materials / traded goods	6.02	0.93
4	Purchase of finished goods/ raw materials / traded goods	0.26	-
5	Purchase of fixed assets	0.02	-
6	Purchase of services	0.28	0.02
7	Corporate social responsibility expenses	5.96	3.28

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Receivable for supply of raw material, finished goods, capital goods, dividend and services	1.87	0.92
2	Payable for supply of finished goods / services / reimbursements	0.01	-
3	Security deposit given	0.76	0.76
4	Advance	0.01	0.05
5	Commitments	5.48	6.01

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 49 Related party transactions (Contd)

C. Compensation of key management personnel of the Company

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Short-term employment benefits	28.52	22.20
2	Post employment benefits	0.75	0.20
3	Other long term employee benefits	0.22	0.12
		29.49	22.52

Note 50 Disclosure pursuant to section 186 of the Companies Act, 2013

(₹ crore)

Sr No.	Nature of Transactions	Purpose of the transactions	As at March 31, 2024	As at March 31, 2023
	(Loans given/ investment made/guarantee provided)			
a	Short term advances			
i	Subsidiary companies			
	Petroleum Specialities FZE	Reimbursement of Expenses	-	0.17
	Apar Distribution & Logistics Private Limited	Reimbursement of Expenses	-	0.10
b	Investment as at the end of the year			
i	Subsidiary companies			
	Petroleum Specialities Pte. Ltd		0.26	0.26
	Apar Transmission & Distribution Projects Private Limited		0.01	0.01
	Apar Distribution & Logistics Private Limited		1.00	1.00
	CEMA Wires & Cables LLC (previously known as CEMA Wires & Cables Inc)		0.42	-
	Associate company			
	Ampoil Apar Lubricants Private Limited		0.40	0.40
	Clean Max Rudra Private Limited		7.59	3.80
c	Guarantees			
i	Step Subsidiary companies			
	Petroleum Specialities FZE	Corporate Guarantee for step down subsidiary's debt	719.37	811.43

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 51 Contingent Liabilities

A) Contingent liabilities not provided for:

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
a)	Claims against the Company not acknowledged as debts -		
	i) Demand/ Show cause-cum-demand notices received and contested by the Company with the relevant appellate authorities:		
	Excise duty	3.74	8.26
	GST	1.18	-
	Customs duty	2.08	2.08
	Sales tax	7.31	12.06
	Income tax	35.50	20.28
	ii) Arbitration award regarding dispute of alleged contractual non-performance by the Company, against which the Company is in appeal before Bombay High Court.	14.29	13.84
	iii) Labour matters	0.05	0.05
	iv) Others	7.33	7.33
b)	Corporate guarantees		
	Guarantee given by the Company for term loan facilities enjoyed by Petroleum Specialities FZE, a step down subsidiary company.	719.37	811.43

B) Capital commitments

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	98.07	139.78

Notes:

- It is not practicable for the Company to estimate the timing of the cash outflows, if any, in respect of the matters in note a (i) to a (iv) of claims against the Company not acknowledged as debts mentioned in A - contingent liabilities, pending resolution of the arbitration/appellate proceedings. The liability mentioned as aforesaid includes interest except in cases where the Company has determined that the possibility of such levy is very remote.
- The cash outflows in respect of corporate guarantees mentioned in note b of A - contingent liabilities, could generally occur upto the period over which the validity of such guarantees extends or it could occur any time during the subsistence of the borrowing to which the guarantees relate.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 52 Expenditure on Research and Development

(A) R & D Center-OIL (Rabale - DSIR recognised)

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
(a)	Salary, wages and other benefits	2.46	2.27
	Consumables and other expenses	0.42	0.13
	Sub-total	2.88	2.40
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	0.10	-
	Sub-total	0.10	-
	Total	2.98	2.40

(B) R & D Center-Conductor (Silvassa)

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
(a)	Salary, wages and other benefits	1.65	0.00
	Consumables and other expenses	7.51	7.25
	Sub-total	9.16	7.25
(b)	Capital expenditure		
	Building	0.57	-
	Plant and machinery	2.80	0.36
	Sub-total	3.37	0.36
	Total	12.53	7.61

(C) R & D Center-Cable (Khatalwad)

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
(a)	Salary, wages and other benefits	0.29	0.26
	Consumables and other expenses	3.64	2.78
	Sub-total	3.93	3.04
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	0.03	-
	Sub-total	0.03	-
	Total	3.96	3.04

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 53 Disclosures related to revenue from contract with customer

i Revenue from contracts with customers

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Revenue recognised at point in time	15,049.24	13,109.08
Revenue recognised over time	16.97	18.26
Total revenue from contracts with customers under Ind AS 115	15,066.21	13,127.34
Other operating revenue	43.07	25.21
Total revenue from operation	15,109.28	13,152.55

ii Disaggregated revenue

The chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or Loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services.

The company uses the same operating segment information for reporting purposes in all its communication to various stakeholders i.e. annual report, investor presentations.

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Within India (including deemed exports)	8,955.43	7,415.18
Outside India	6,153.85	5,752.66
	15,109.28	13,167.84

iii Sales by performance obligation

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Upon shipment	15,049.24	13,109.08
Upon providing of services	16.97	18.26
	15,066.21	13,127.34

iv Contract balances

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
A) Contract Assets		
Balance as at the beginning of the year	35.43	6.11
Add: addition during the year	43.57	35.33
	79.00	41.44
Less: transferred to receivable	(34.62)	(6.01)
Balance as at the end of the year	44.38	35.43
B) Contract liabilities		
Advances from customers		
Balance as at the beginning of the year	181.08	195.78
Add: addition during the year	739.59	658.09
	920.67	853.87
Less: revenue recognised during the year	(728.24)	(672.79)
Balance as at the end of the year	192.43	181.08

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 53 Disclosures related to revenue from contract with customer (Contd)

v. Remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less. Hence, the company has applied practical expedient as per para 121 of the Ind AS 115 in regards to remaining performance obligations.

Note 54 Lease Disclosures

Amount recognised in the balance sheet

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Right of use assets		
Addition during the year	7.31	8.37
Deletion during the year	(2.63)	-
Amortisation for the year	5.73	4.16
Carrying value at the end of the year	18.75	17.54
Break-up of lease liability in the the balance sheet		
Non-current	14.72	14.20
Current	5.20	4.31

Maturity analysis of lease liabilities

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Less than 1 year	6.46	5.20
1 - 2 years	4.98	4.07
3 - 5 years	7.58	7.59
More than 5 years	3.53	2.54
Total undiscounted lease liabilities at the year end	22.55	19.40

Amount recognised into the statement of profit and loss

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Amortisation of right of use assets	5.73	4.16
Unwinding of discount on lease liabilities	1.38	1.05
Expenses relating to short term leases & low value leases	3.90	2.23
Total	11.01	7.44

Amount recognised into the statement of cash flows

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Total cash outflows of lease payments (including short term leases & low value assets leases of ₹3.90 crores (previous year: ₹2.23 crores))	11.19	7.14

Notes to the Standalone Financial Statements

for the year ended March 31, 2024

Note 55 Issue of Equity Shares

On November 30, 2023 the share issuance committee of the board of directors of the Company has approved an allotment of 18,99,696 equity shares having face value of ₹10 per share at a premium of ₹5,254 per share aggregating to ₹1,000.00 crores to eligible Qualified Institutional Buyers. Pursuant to said allotment, equity share capital of the Company has increased by ₹1.90 crores and securities premium has increased by ₹998.10 crores.

Following are the details of utilisation of total proceeds of ₹1,000.00 crores

Particulars	Amount
Gross proceeds of the issue	1,000.00
Less:- share issue expenses charged to securities premium account as per Section 52 of the Companies Act	17.42
Net proceeds of the issue	982.58
Utilisation as per placement document:-	
- towards working capital requirement	982.58

Note 56 Additional Disclosures

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in crypto currency or virtual currency during the period.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,
- (vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company is not declared as willful defaulter by any bank or financial institution or other lender.
- (ix) During the year the Company has not entered into any scheme of arrangement.

As per our report of even date attached

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

For and on behalf of the Board of Directors

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Nina Kapasi

Independent Director

DIN : 02856816

Ramesh Iyer

Chief Financial Officer

Sanjaya R. Kunder

Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditors' Report

TO THE MEMBERS OF APAR INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Apar Industries Limited** (hereinafter referred to as 'the Parent'), its subsidiaries (the Parent and its subsidiaries together referred to as 'the Group') and the Group's share of loss in its associates comprising of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

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

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Litigations, Provisions and Contingent Liabilities</p> <p>There are several litigations pending before various forums by and against the Company. These also include matters under various statutes and involves significant management judgement and estimates on the possible outcome of the litigations and consequent provisioning thereof or disclosure as contingent liabilities.</p> <p>We identified this as a key matter as the estimate of these amounts involve a significant degree of management judgement and high estimation uncertainty.</p> <p>(Refer Note no. 51 to the Consolidated Financial Statements).</p>	<p>To address this key audit matter, our procedures included:</p> <p>Obtaining from the management details of matters under disputes including ongoing and completed tax assessments, demands and other litigations.</p> <p>Evaluation and testing of the design of internal controls followed by the Company relating to litigations and open tax positions for direct and indirect taxes and process followed to decide provisioning or disclosure as Contingent Liabilities.</p> <p>Discussing with Company's legal team and taxation team for sufficient understanding of on-going and potential legal matters impacting the Company.</p> <p>We also involved our firm's internal expert to evaluate the management's underlying judgements in making their estimates with regard to such matters.</p>

Sr. No.	Key Audit Matter	Auditor's Response
2.	<p>IT systems and controls over financial reporting.</p> <p>We identified IT systems and controls over financial reporting as a key audit matter for the Company because its financial accounting and reporting systems are fundamentally reliant on IT systems and IT controls to process significant transaction volumes, specifically with respect to revenue and raw material consumption. The inter division reconciliation is not automated and continues to be manual. Also, due to large transaction volumes and the increasing challenge to protect the integrity of the Company's systems and data, cyber security has become more significant.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, IT general controls over program development and changes, access to program and data and IT operations, IT application controls and interfaces between IT applications are required to be designed to operate effectively to ensure accurate financial reporting.</p>	<p>In view of the significance of the matter, we applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence:</p> <ul style="list-style-type: none"> • Assessed the complexity of the IT environment through discussion with the IT team and identified IT applications that are relevant to our audit. • Evaluated the operating effectiveness of IT general controls over program development and changes, access to program and data and IT operations. • Performed inquiry procedures with the IT team of the Company in respect of the overall security architecture and any key threats addressed by the Company in the current year. • Evaluated the operating effectiveness of IT application controls in the key processes impacting financial reporting of the Company. • Assessed the operating effectiveness of controls relating to data transmission through the different IT systems to the financial reporting systems. • Checked the interunit balances and their reconciliation across the divisions at year end and ensured that the inter unit balances are zero at the year end.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent's Management and Board of Directors is responsible for the preparation of the Other Information. The Other Information comprises the information included in the boards report including Annexures, Business Responsibility and Sustainability Report, Management Discussion and Analysis Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements, Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with the audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the Consolidated Financial Statements or the knowledge obtained during the course of the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Group and of its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of

preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management's and Board of Directors use of the going concern basis of accounting in preparation of the Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represents the underlying transactions and events in a manner that achieve fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph a) and b) of the section titled 'Other Matter' in this audit report.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought

to bear on our independence, and where applicable, related safeguards.

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

Other Matter

- a) We did not audit the financial statements and other financial information, in respect of three subsidiaries whose Standalone Financial Statements and other financial information as applicable, (before eliminating inter-company transactions) include total assets of ₹235.30 crores as at March 31, 2024 and total revenues of ₹151.05 crores, total net profit after tax of ₹13.15 crores, total comprehensive income of ₹13.15 crores and net cash inflow of ₹2.71 crores for the year ended on that date. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. The Consolidated Financial Statements also include the Group's share of net profit after tax of ₹0.01 crores and total comprehensive income of ₹0.01 crores for the year ended March 31, 2024, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-sections (3) and (11) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of such other auditors.
- b) The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of a subsidiary, whose Consolidated Financial Statements and other financial information (before eliminating inter-company transactions) reflect total assets of ₹0.42 crores as at March 31, 2024, total revenues of ₹Nil, total net loss after tax of ₹(0.00) * crores, total comprehensive loss of ₹(0.00) * crores. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The Consolidated Financial Statements also include the Group's share of net loss after tax of ₹(0.62) crores and total comprehensive loss of ₹(0.62) crores for the year ended March 31, 2024, as considered in the Consolidated Financial Statements, in respect of an associate, whose

financial statements, other financial information have been furnished to us by the management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary and associate and our report in terms of sub-sections (3) and (11) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements and other unaudited financial information.

*Amount less than ₹50,000/-

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the matters covered in paragraph a) and b) above with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on the audit and on the consideration of the reports of the other auditors on Separate Financial Statements and the other financial information of subsidiaries and associates, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from the examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2024 taken on record by the Board of Directors of the Parent and the reports of the auditors of the subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India, is disqualified as on March 31, 2024 from being

appointed as a director in terms of Section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Companies covered under the Act and the operating effectiveness of such controls, refer to the separate Report in 'Annexure A' which is based on the auditors' reports of the Parent, subsidiaries and associates incorporated in India;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of auditors' reports of the Parent, subsidiaries and associates incorporated in India, the remuneration paid by the Parent and its associate companies incorporated in India to their directors during the year is in accordance with the provisions of section 197 of the Act;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on Separate Financial Statements as also the other financial information of the subsidiaries and associate companies, as noted in the 'Other Matter' paragraph:
- i. The Consolidated Financial Statements has disclosed the impact of pending litigations on consolidated financial position of the Group and its associates in Note 51 to the Consolidated Financial Statements.
 - ii. There were no long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and its associates incorporated in India.
 - iv. i. The respective managements of the Parent, represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or its subsidiaries and associates to or in any other persons or entities, including foreign entities

("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Parent, subsidiaries or its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- ii. The respective managements of the Parent represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Parent, subsidiaries or its associates from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent, subsidiaries or its associates shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries and associates which is the company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause i) and ii) contain any material mis-statement;
- v. The dividend paid by the Parent during the year in respect of F.Y 2022-2023 is in accordance with Section 123 of the Act to the extent it applies to payment of Dividend.

As stated in Note no. 19 to the Consolidated Financial Statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination, which included test checks, of the Parent and that performed by the respective auditors of the subsidiaries and

associates which are companies incorporated in India, the Parent, the subsidiaries and associates have used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditors' report, according to the information and explanations given to us and based on the CARO report

issued by us for the Parent and based on CARO reports issued by other auditors in respect of subsidiary companies and associates incorporated in India, audited by other auditors respectively and included in the Consolidated Financial Statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.037391
UDIN: 24037391BKBOIB5230

Place: Mumbai
Date: May 14, 2024

Annexure A to Independent Auditors' Report

[Referred to in paragraph 1 f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **Apar Industries Limited** ("the Company") and in respect of its subsidiaries and associates incorporated in India wherein such audit of internal financial controls over financial reporting was carried out by other Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as on March 31, 2024 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the Parent, its subsidiary companies and the associates incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Parent, its subsidiary companies and associates incorporated in India considering essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective companies' policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Parent, its subsidiary companies and associates incorporated in India, based on the audit. We conducted the audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors of subsidiaries and associates incorporated in India in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the companies are being made only in accordance with authorisations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not

be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company, its subsidiary companies and associates, incorporated in India, have, in all material respects, an internal financial control with reference to financial statements of the Group and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting is so far as it relates to subsidiary companies and associate companies, which are incorporated in India, are solely based on the corresponding reports of the auditors of such companies.

Our Opinion is not modified in respect of above matter.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration No. 101961W/W-100036

Himanshu Kishnadwala
Partner

Place: Mumbai
Date: May 14, 2024

Membership No.037391
UDIN: 24037391BKBOIB5230

Consolidated Balance sheet as at March 31, 2024

(₹ crore)

Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,129.88	884.42
Right to use assets	4	61.86	64.95
Capital work-in-progress	3	120.73	99.07
Other intangible assets	5	1.09	1.11
Intangible assets under development	5	1.72	0.24
Financial assets			
Investments	6	7.38	4.18
Loans	7	2.29	2.51
Trade receivables	13	11.52	27.51
Derivative assets	8	1.00	-
Other financial assets	9	12.19	10.06
Non-current tax assets (net)		61.63	54.27
Other non-current assets	10	34.50	62.78
Total non-current assets		1,445.79	1,211.10
Current Assets			
Inventories	11	2,864.46	2,575.64
Financial assets			
Investments	12	3.38	50.10
Trade receivables	13	3,928.91	3,198.07
Cash and cash equivalents	14	584.00	498.81
Bank balances other than above	15	62.03	31.29
Loans	16	1.14	5.20
Derivative assets	8	18.39	34.53
Other financial assets	17	63.58	48.36
Other current assets	18	644.08	564.55
Total current assets		8,169.97	7,006.55
TOTAL ASSETS		9,615.76	8,217.65
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	40.17	38.27
(b) Other equity	20	3,836.27	2,198.12
TOTAL EQUITIES		3,876.44	2,236.39
Non-current liabilities			
Financial liabilities			
Borrowings	21	334.31	151.37
Lease liabilities		60.33	63.70
Derivative liabilities	22	0.19	-
Other financial liabilities	23	13.39	8.53
Provisions	24	14.05	12.45
Deferred tax liabilities (net)	40	0.86	21.70
Total non-current liabilities		423.13	257.75
Current liabilities			
Financial liabilities			
Borrowings	25	71.23	152.79
Lease liabilities		9.74	8.37
Trade payables	26		
a) Total outstanding dues of micro enterprises and small enterprises		28.07	84.90
b) Total outstanding dues of creditors other than micro enterprises and small enterprises.		4,784.98	5,121.40
Derivative liabilities	22	23.16	21.42
Other financial liabilities	27	110.34	85.94
Other current liabilities	28	183.81	196.70
Provisions	29	6.69	4.26
Current tax liabilities (net)		98.17	47.73
Total current liabilities		5,316.19	5,723.51
TOTAL LIABILITIES		5,739.32	5,981.26
TOTAL EQUITY AND LIABILITIES		9,615.76	8,217.65

See accompanying notes to financial statement

1 - 56

As per our report of even date attached

For and on behalf of the Board of Directors

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Nina Kapasi

Independent Director

DIN : 02856816

Ramesh Iyer

Chief Financial Officer

Sanjaya R. Kunder

Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(₹ crore)

Particulars	Note	For Year ended March 31, 2024	For Year ended March 31, 2023
INCOME			
Revenue from operations	30	16,152.98	14,336.30
Other income	31	86.43	37.47
Total Income		16,239.41	14,373.77
EXPENSES			
Cost of materials consumed	32	12,563.66	11,341.43
Purchases of stock-in-trade		117.44	69.45
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(141.13)	(334.66)
Employee benefits expense	34	288.85	220.50
Finance costs	35	386.58	305.50
Depreciation and amortization expense	36	115.71	104.34
Other expenses	37	1,801.85	1,812.64
Total expenses		15,132.96	13,519.20
Profit before share of profit/(loss) of an associate and exceptional items		1,106.46	854.58
Share in net profit / (loss) of associate		(0.61)	(0.02)
Profit before exceptional items		1,105.85	854.56
Exceptional items		-	-
Profit before tax		1,105.85	854.56
Tax expense:	39		
Current tax		294.61	221.80
Deferred tax charge / (credit)		(10.51)	(6.81)
Current tax in respect of earlier years		(3.36)	1.85
Total tax expenses		280.74	216.84
Profit / (loss) for the year from continuing operations		825.11	637.72
Other comprehensive income / (loss)			
Items that will not be reclassified to consolidated statement of profit and loss:-			
a) Re-measurement gains / (losses) of defined benefit plans		(1.13)	(0.15)
Income tax on items that will not be reclassified to consolidated statement of profit and loss		0.28	0.04
Items that will be reclassified to consolidated statement of profit and loss:-			
a) Effective portion of gains / (losses) on hedging instruments in a cash flow hedge		(26.64)	(94.54)
b) Exchange differences in translating the financial statements of foreign operations		1.99	11.67
Income tax on items that will be reclassified to consolidated statement of profit and loss		6.53	23.79
Total Other comprehensive income / (loss)		(18.97)	(59.19)
Total comprehensive income / (loss) for the year		806.14	578.53
XII. Earnings per equity share (Face value of ₹10 each)	38		
Basic		212.10	166.64
Diluted		212.10	166.64

As per our report of even date attached

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

For and on behalf of the Board of Directors

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Ramesh Iyer

Chief Financial Officer

Nina Kapasi

Independent Director

DIN : 02856816

Sanjaya R. Kunder

Company Secretary

Consolidated Statement of Cash Flows for the year ended March 31, 2024

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Cash flow from operating activities		
Profit before share of profit/(loss) of an associate and exceptional items	1,106.46	854.58
Adjustments for		
Depreciation / amortisation on expense	115.71	104.34
Loss on sale of property, plant and equipment	0.54	1.51
Interest expenses	283.17	174.75
Interest income on investment	(8.30)	(1.47)
Bad debts/ provision for doubtful debts made / (written back/reversed)	54.13	46.09
Unrealised exchange loss/(gain)	11.68	33.42
Profit on sale of investments	(7.58)	(1.66)
Movement in working capital		
(Increase) / decrease in trade and other receivables	(913.20)	(854.17)
(Increase) / decrease in inventories	(287.09)	(424.40)
Increase/ (decrease) in trade and other payables	(391.43)	984.34
Tax paid	(247.38)	(218.99)
Net cash generated from / (used in) operating activities	(283.29)	698.34
Cash flow from investing activities		
Acquisition of property, plant and equipment	(330.67)	(247.83)
Proceeds from sale of property, plant and equipment	1.05	1.13
Sale / (purchase) of investment in subsidiary & associate	(3.80)	(3.80)
Sale / (purchase) of investments other than investment in subsidiary & associate - net	54.28	(18.44)
Interest received on investment	11.00	1.49
Net cash generated from / (used in) investing activities	(268.14)	(267.45)
Cash flow from financing activities		
Proceeds/(repayments) from short-term borrowings - net	(89.90)	55.22
Proceeds/(repayments) of long-term borrowings - net	192.71	(51.91)
Repayment of lease liabilities	(12.72)	(10.03)
Interest paid	(284.51)	(121.47)
Dividend payment	(153.00)	(57.36)
Net Proceeds from issue of equity shares through Qualified Institutional Placement	982.58	-
Net cash (used in) / generated from financing activities	635.16	(185.55)
Net increase / (decrease) in cash and cash equivalents	83.73	245.34
Effect of change in exchanges rate on cash and cash equivalents	1.46	0.31
Cash and cash equivalents at the beginning of the year	498.81	253.16
Cash and cash equivalents at the end of the year	584.00	498.81

Notes :

- Statement of cash flows has been prepared as per the indirect method as set out in the Ind AS 7 Statement of cash flows.
- Cash and cash equivalents represents cash and bank balances and includes unrealised gain of ₹1.46 crore; (previous year unrealised gain of ₹0.31 crore) on account of translation of foreign currency bank balances.
- Refer note 21 c) for changes in liabilities arising from financing activities.

As per our report of even date attached

For and on behalf of the Board of Directors

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

Kushal N Desai

Chairman & Managing Director &

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DIN : 00008084

Mumbai, May 14, 2024

Nina Kapasi

Independent Director

DIN : 02856816

Ramesh Iyer

Chief Financial Officer

Sanjaya R. Kunder

Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

(a) Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount ₹ crore	No. of Shares	Amount ₹ crore
Balance at the beginning of the reporting period	3,82,68,619	38.27	3,82,68,619	38.27
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	3,82,68,619	38.27	3,82,68,619	38.27
Changes in equity share capital during the current year	18,99,696	1.90	-	-
Balance at the end of the reporting period	4,01,68,315	40.17	3,82,68,619	38.27

(b) Other Equity

For the year ended	Reserves and Surplus			Items of Other Comprehensive Income			Total		
	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings - surplus	Foreign currency translation reserve		Hedging reserve	Re-measurement of Defined benefit plans
Balance at April 1, 2023	23.46	205.18	14.98	352.31	1,569.76	24.56	14.58	(6.71)	2,198.12
Profit for the year	-	-	-	-	825.11	-	-	-	825.11
Other comprehensive income / (loss) for the year	-	-	-	-	-	1.99	(20.11)	(0.85)	(18.97)
Total comprehensive income for the year	-	-	-	-	825.11	1.99	(20.11)	(0.85)	806.14
Premium on issue of equity shares (refer note 55)	-	998.10	-	-	-	-	-	-	998.10
Share issue expenses (refer note 55)	-	(17.42)	-	-	-	-	-	-	(17.42)
Deferred tax on share issue expenses	-	3.51	-	-	-	-	-	-	3.51
Current tax on share issue expenses	-	0.88	-	-	-	-	-	-	0.88
Final dividend paid on equity shares	-	-	-	-	(153.07)	-	-	-	(153.07)
Transfer to general reserve	-	-	-	-	-	-	-	-	-
Balance at March 31, 2024	23.46	1,190.25	14.98	352.31	2,241.80	26.55	(5.53)	(7.56)	3,836.27
Balance at April 1, 2022	23.46	205.18	14.98	292.31	1,049.44	12.89	85.34	(6.61)	1,676.99
Profit for the year	-	-	-	-	637.72	-	-	-	637.72
Other comprehensive income / (loss) for the year	-	-	-	-	-	11.67	(70.75)	(0.11)	(59.19)
Total comprehensive income for the year	-	-	-	-	637.72	11.67	(70.75)	(0.11)	578.53
Final dividend paid on equity shares	-	-	-	-	(57.40)	-	-	-	(57.40)
Transfer to general reserve	-	-	-	60.00	(60.00)	-	-	-	-
Balance at March 31, 2023	23.46	205.18	14.98	352.31	1,569.76	24.56	14.58	(6.71)	2,198.12

(₹ crore)

Statement of Changes in Equity for the year ended March 31, 2024 (Contd.)

Nature and purpose of reserves

i. Capital reserve

Capital reserve comprises of gains of capital nature earned by the Group and credited directly to such reserve.

ii. Securities premium

Securities Premium is used to record the premium received on the issue of shares. It is utilised in accordance with the provisions of the Companies Act 2013. It also comprises of profit on 16,35,387 treasury shares sold in the year 2015-16.

iii. Capital redemption reserve

Capital redemption reserve represents amounts set aside by the Group for redemption of capital which may arise in future.

iv. General reserve

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

v. Retained Earnings

Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Group in accordance with the provisions of the Companies Act, 2013.

vi. Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in consolidated statement of profit or loss as the hedged cash flows or items that affect profit or loss.

vii. Foreign currency translation reserve

The exchange differences arising from the translation of financial statements of foreign subsidiaries with functional currency other than Indian Rupee is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.

viii. Re-measurement of defined benefit plans

The re-measurement of defined benefit plan comprises of actuarial gains / losses, actual return on plan asset and change in effect of asset ceiling, if any.

As per our report of even date attached

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

For and on behalf of the Board of Directors

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Ramesh Iyer

Chief Financial Officer

Nina Kapasi

Independent Director

DIN : 02856816

Sanjaya R. Kunder

Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 1 Background –Company Overview

Apar Industries Limited (“the Group”), founded by Late Shri. Dharmsinh D. Desai in the year 1958 is one among the best-established companies in India, operating in the diverse fields of electrical and metallurgical engineering offering value added products and services in Power Transmission Conductors, Petroleum Specialty Oils, Power & Telecom Cables and House wires. The Group is incorporated in India. The registered office of the Group is situated at 301, Panorama Complex, R. C. Dutt Road, Vadodara, Gujarat – 390 007. The Group has manufacturing plants in states of Maharashtra, Gujarat, Orissa and Union territory of Dadra & Nagar Haveli.

1. Basis of preparation and basis of measurement of Consolidated Financial Statements

(a) Basis of preparation

These Consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 (“the 2013 Act”), and the relevant provisions of the 2013 Act (to the extent notified) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Presentation currency and functional currency is Indian Rupees (₹). All figures appearing in the Consolidated financial statements are rounded off to the nearest crore (₹ Crore), except where otherwise stated. Where the figure in Rupees is less than ₹50,000/- (fifty thousand), the same is presented in Consolidated financial statements as ‘0.00’ (Zero). These Consolidated financial statements are approved for issue by the Board of Directors on May 14, 2024.

(b) Basis of measurement

The Consolidated financial statements have been prepared on a going concern basis using historical cost convention basis except for the following items:

- certain financial assets and liabilities (including mutual fund investments and derivatives) that are measured at fair value;
- defined benefit plans – plan assets measured at fair value; and
- cash settled share-based payments.

(c) Key estimates and judgements

The preparation of the Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affecting the Consolidated financial statements of future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information;

In particular, information about significant areas of estimates and judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated financial statements are as below:

- Financial instruments (including Fair Valuation of Level 3 Financial Instruments);
- Estimates of useful lives and residual value of Property, Plant and Equipment, and intangible assets;
- Valuation of inventories;
- Measurement of recoverable amounts of cash-generating units;
- Measurement of Defined Benefit Obligation, key actuarial assumptions;
- Provisions and Contingencies;
- Evaluation of recoverability of deferred tax assets; and
- Impairment testing

Revisions to accounting estimates are recognized prospectively in the Consolidated financial statements in the period in which the estimates are revised and in any future periods affected.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 2 Material Accounting Policy Information

A. Basis of Consolidation

The Group comprises of subsidiaries and associates.

- i) Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiary is consolidated on a line by line basis from the date of acquisition of control. They are deconsolidated from the date control is ceased.
- ii) Associates are entities over which the Group has a significant influence. Associates are consolidated using equity method of accounting, after initial investment in associate is recognised at cost.
- iii) Intra-group balances and transactions, and any unrealised gains or losses arising from intra-group transactions, net of deferred taxes, are eliminated.
- iv) Subsidiary and associate whose functional currency is different than functional currency of the Group, are re-translated into functional currency of the Group. Year-end monetary as well as non-monetary balances of assets and liabilities except equity and investment within the group are translated into INR using exchange rate prevailing at the end of the year and transactions are translated into average exchange rate for the year. Difference so arrived on such re-translation is recognised as "Foreign Currency Translation Reserve" under other comprehensive income and accumulated in equity.

B. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group at the exchange rate prevailing at the date of the transaction.

Transactions in foreign currencies are recognised at the rate of exchange prevailing on the date of transaction except where it is impracticable to use such rate, average exchange rate is used. 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. Foreign currency differences are generally recognised in the statement of profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Consolidated statement of profit and loss in the year in which they arise.

The Group has adopted Appendix B to Ind AS 21, Foreign Currency transactions and advance considerations notified in the Companies (Indian Accounting Standards) Rules, 2018. Accordingly, the exchange rate for translation of foreign currency transactions, in cases when Company receives or pays advance consideration is earlier of:-

- the date of initial recognition of non-monetary prepayment asset or deferred income liability or
- the date that the related item is recognized in the Consolidated Financial Statements.

If the transaction is recognized in stages; then a transaction date will be established for each stage.

C. Revenue Recognition

Revenue Recognition:

The Group recognises revenue when the same can be reliably measured and it is probable that future economic benefits will flow to the entity.

Revenue from sale of products:

Revenue from sale of products is recognised on satisfaction of performance obligations by the Group on transfer of control of ownership attached to the goods to customers. The revenue is measured at the amount of transaction price net of returns, applicable discounts and allowances offered by the Group as a part of the contract and are excluding the amounts collected on behalf of third parties.

Revenue from contracts with customers:

Revenue from contracts with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services (assets) to the customers. The Group recognises revenue over the period of time, as performance obligations

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

are satisfied over time due to continuous transfer of control to the customer. Such contracts are generally accounted for as a single performance obligation as it involves integration of goods and services. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

Any amount of income accrued but not billed to customers in respect of any contracts is recorded as a contract asset. Such contract assets are transferred to trade receivables on actual billing to customers. A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer. Such contract liabilities are recognised as revenue when the Group performs under the contract. Transaction price is recognised based on the price specified in the contract.

Sales include transport and other costs recovered separately from the customers.

Processing income:

Revenue from services is recognized as and when the services are rendered on proportionate completion method.

Other Operating Revenue:

Export benefits under Duty Drawback benefits and Remission of Duties and Taxes on Export Products Scheme (RoDTEP) are accounted as revenue on accrual basis as and when export of goods take place, where there is a reasonable assurance that the benefits will be received, and the Group will comply with all the attached conditions.

Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and using effective interest rate.

D. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided.

ii. Post employment benefit plans

The Group has two types of post-employment benefit plans i.e Defined contribution plan and defined benefit plan.

a) Defined contribution plans

Provident Fund Scheme

The Group's state governed provident fund scheme; superannuation scheme are the defined contribution plans. The contribution paid/payable under the scheme is recognised during the period employee renders the service.

Superannuation Scheme

The Group's contribution paid/payable under the scheme is recognised as expense in the Consolidated statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

Gratuity Fund

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The obligation towards defined benefit plan is measured at present value of estimated future cash flows using a discount rate based on government bond yield having maturity period similar to weighted average maturity profile of defined benefit obligation at the end of each balance sheet date

Re-measurement 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 immediately in OCI. Net interest expense and other expenses related to defined benefit plans are recognised in profit or 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 or the gain or loss on curtailment is recognised immediately in statement of profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

iii. Other long-term employee benefits

Long-term Compensated Absences are recognised for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Consolidated statement of profit and loss.

E. Income Tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit or loss except when it relates to an item recognised directly in equity or OCI, in which case, they are recognised in equity or OCI respectively.

i. Current tax

Current tax comprises the expected tax payable on taxable profits calculated using tax rate enacted or substantially enacted at the reporting date.

ii. 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 amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

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.

F. Inventories

Inventories and work in progress are measured at the lower of cost and net realisable value. Inventory of scrap is valued at estimated realisable value. The cost of inventories is determined using the weighted average cost method. Cost includes direct materials, labour, other direct cost and manufacturing overheads. Inventories also includes applicable taxes, other than those which are subsequently recoverable from tax authorities.

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

Raw materials, packing materials, stock in trade, work-in-progress, finished goods, project material for long term contracts, scrap materials and stores and spares are valued at lower of cost or net realisable value ("NRV") after providing for obsolescence and other losses, where considered necessary on an item-by-item basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, packing materials and stores and spares is determined on a weighted average basis and includes all applicable costs, including hedging costs, wherever applicable and further includes inward freight and other costs incurred in bringing goods to their present location and condition. Cost of work-in-progress and finished goods includes direct materials as aforesaid, direct labour cost and a proportion of manufacturing overheads based on total manufacturing overheads to raw materials consumed. Cost of stock-in-trade includes cost of purchase and includes all applicable costs, including inward freight, incurred in bringing the inventories at their location and condition. Cost is determined on a weighted average basis.

The stocks of scrap materials have been taken at net realisable value.

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

Carrying value of inventory is adjusted for effective portion of changes in fair value of hedging instrument.

G. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment except for freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses, if any. Freehold land which is carried at cost less accumulated impairment losses, if any Spare parts which are meeting the requirement of property, plant and equipment are capitalised as property, plant and equipment. All other types of spare parts are charged to the Consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

The 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 costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss from the disposal of an item of property, plant and equipment is recognised in Consolidated statement of profit and loss when it is derecognised.

The residual value and useful lives of property, plant and equipment are reviewed during each financial year and changes if any are accounted for as change in account estimate on a prospective basis.

The cost of the property, plant and equipment at 1st April 2015, the Group's date of transition to Ind AS, was determined with reference to its carrying value at that date.

ii. Depreciation

Depreciation is provided, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 after taking into account estimated residual value except in the case where the estimated useful life based on management experience and technical evaluation differs.

Depreciation is charged on the Straight-Line method (SLM) or the Written Down Value method (WDV) based on the method consistently followed by the respective divisions in the Group. The depreciation method followed by each division is as below:

Particulars	Conductor Division	Oil Division	Cable Division	Head Office
Leasehold Land	SLM	SLM	SLM	SLM
Buildings	SLM	SLM	SLM	SLM
Plant and Equipment	SLM	SLM	SLM	SLM
Furniture and Fixtures	SLM	WDV	SLM	WDV
Office Equipment	SLM	WDV	SLM	WDV
Motor Vehicles	SLM	WDV	SLM	WDV

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

Capital expenditure in respect of which ownership does not vest with the Group is amortised over a period of five years. Leasehold land is amortised over the period of lease.

Estimated useful life as per technical estimates of the Group in Plant & Equipment's are as below:

Description of Assets	Useful Life in Schedule II	Useful Life as per technical estimates
Plant and Equipment's –Oil division (other than filling lines)	15 Years	20 Years
Plant and Equipment's - Conductor Division	15 Years	20 Years
Plant and Equipment's - Cable Division	15 Years	25 Years

H. Intangible Assets

Intangible assets having finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets having indefinite useful life are measured at cost.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Intangible asset having finite useful life is amortised on a straight line basis over their useful life. Intangible assets having indefinite useful life is not amortised but tested for impairment.

Enterprise Resource Planning Software cost: Cost of implementation of ERP Software including all related direct expenditure is amortised over a period of 5 years on successful implementation.

The cost of the intangible assets at 1st April 2015, the Group's date of transition to Ind AS, was determined with reference to its carrying value at that date.

Capital work in progress / Intangible assets under development

Expenditure, including eligible borrowing cost, net of income earned, during the construction/development period of Property, Plant and Equipment, and Intangible Assets, is included under capital work-in-progress or intangible assets under development, as the case be, and the same is attributed to the respective assets when they are ready for intended use.

I. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

J. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as Foreign Exchange Forward Contracts, Commodity Future Contracts.

i. Financial assets

Classification

The financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of its business model for management of the financial assets and the contractual cash flow characteristics of the financial asset.

- Equity instruments and mutual funds, the Group elects, on an instrument by instrument basis, to classify it either as FVOCI or FVTPL. Such election is made on initial recognition and is irrevocable.
- Derivative financial instruments which are designated as effective hedging instruments are accounted as per hedge accounting requirement, as described below.
- Financial assets other than those described above are measured at amortised cost.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial assets measured at fair value through profit or loss, transaction costs are recognised in the consolidated statement of profit and loss. In case financial assets are not measured at fair value through profit or loss, transaction costs are added to the fair value.

Trade receivables that do not contain a significant financing component are measured at transaction price.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent recognition and measurement

Financial instruments which are measured at amortised cost are recognised using effective interest method ("EIR"). EIR is a rate that discounts future cash flows including discounts or premium on acquisition, fees or costs incurred on acquisition to a net carrying amount of financial instrument, on initial recognition. Interest income on EIR amortisation and impairment losses, if any, are recognised in the Consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Financial assets which are measured at FVTOCI, gains and losses arising from changes in fair value, including impairment loss if any are recognised in the other comprehensive income and accumulated in other equity.

Financial assets which are measured at FVTPL, gains and losses arising from changes in fair value including impairment loss if any are recognised in the Consolidated statement of profit and loss.

Derecognition

- A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) when:
 - The rights to receive cash flows from the asset have expired, or
 - The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
 - When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.
 - Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group uses expected credit loss model with respect to impairment loss on financial assets.

- Impairment loss on trade receivables is recognised using life time expected credit loss model. This model involves use of a provision matrix which is based on historical credit loss experience and is adjusted for forward looking information.
- Impairment loss on equity instrument is recognised when carrying amount exceeds its recoverable amount.
- Impairment loss on financial instrument measured at amortised cost are deducted from equity and are recognised in the Consolidated statement of profit and loss. Financial instruments measured at FVTPL, impairment loss is recognised in Consolidated statement of profit and loss. Financial instruments measured at FVTOCI, impairment loss is recognised in other comprehensive income.
- Gross carrying amount of financial instrument is written off to the extent there is no prospect of recovery. Such financial instruments could still be subject to enforcement activities under the Group's recovery procedure, taking into account legal advice as appropriate. Any recovery made subsequent to write off is recognised in the Consolidated statement of profit and loss under other income.

ii. Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities measured at fair value through profit or loss.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Financial guarantee contracts

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

Derecognition

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

Offsetting of financial instruments

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

iii. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash Flow Hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under the "effective portion of cash flow hedges". The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on the present value basis, from the inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit and loss.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the other equity is included directly in the initial cost of the non-financial item when it is recognised. For all other hedged forecast transactions, the amount accumulated in other equity is reclassified to profit and loss in the same period or periods during which the hedged expected future cash flows affect profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial items cost of initial recognition or for other cash flow hedges, it is reclassified to profit and loss in the same period as the hedged future cash flows affect the profit and loss.

If the hedged cash flows are no longer expected to occur, then the amounts that have been accumulated in the other equity are immediately reclassified to profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

The Group formally designates foreign currency denominated financial liabilities relating to imported raw materials, in one of the division, in a cash flow hedge relationship for hedging of foreign exchange risk associated with highly probable future sales transactions. The Effective portion of gains or losses arising on restatement of the foreign currency denominated financial liabilities is initially recognized in other comprehensive income and is reclassified to profit or loss in the period of settlement when the sales are affected. Ineffective portions, if any, is be charged to profit or loss.

K. Provisions and contingent liabilities

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

Provisions are determined by discounting the expected future cash flows specific to the liability using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of profit and loss as a finance cost. A provision for onerous contracts 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. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A disclosure for a contingent liability is made when there is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that may, but will probably not, require an outflow of resources.

A contingent asset is not recognised but disclosed in the Consolidated financial statements where an inflow of economic benefit is probable.

L. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. If the contract contains a lease, it is accounted as right to use asset and the corresponding lease liability. The Group elects, not to recognise lease contract as lease asset and lease liability for short term leases with a lease term of not more than 12 months and to leases of low value assets.

- Right to use asset is measured at cost, which comprises of initial amount of lease liability adjusted for advanced lease payments plus initial direct cost and estimated cost to dismantle and remove the asset. The right to use asset is measured at a cost model and is depreciated on a straight line basis over a period of lease term or useful lie, whichever is lower.
- Initial measurement of lease liability is made at present value of lease payments discounted at incremental borrowing rate. Subsequently, lease liability is reduced to the extent of lease payments and increases to the extent of unwinding of interest on lease liability.
- Lease payments associated with the short term and low value is recognised in the Consolidated statement of profit and loss on a straight line basis over a period of lease term.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Group is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

M. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated statement of profit and loss, to the extent the amount was previously charged to the Consolidated statement of profit and loss. In case of revalued assets, such reversal is not recognised.

N. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

O. Segment Reporting

The Chief Operating Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the Consolidated Financial Statements. Operating segments have been identified on the basis of nature of products / services.

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Group. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

The Segment disclosure are given in the Consolidated financial statements by virtue of exemption given in Ind AS – "Operating Segment".

P. Cash settled employee stock options

For cash settled share-based payments, a liability is recognised for the services availed. It is measured initially at the fair value of the liability. At the end of the reporting period, until liability is settled as well as at the end of the settlement, the fair value of liability is remeasured with any changes in fair value is recognised in Consolidated statement of profit and loss.

Q. Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

R. Cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Group are segregated based on available information.

S. Dividends

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

T. Recent Amendments

The MCA has not notified any new standards or amendments to the existing standards.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 3 Property, plant and equipment

Particulars	Gross block					Depreciation			Net block	
	As at April 01, 2023	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2024	As at April 01, 2023	For the year	Deductions/ adjustments	As at March 31, 2024	As at March 31, 2024
(i) Tangible assets										
Land- freehold	39.51	71.14	-	-	110.65	0.00	0.00	0.00	0.00	110.65
Land-leasehold	10.90	1.06	-	-	11.96	1.12	0.15	-	1.27	10.69
Building (refer note a) and d) below)	347.39	71.84	(1.19)	0.56	418.59	68.55	13.45	(0.03)	81.96	336.62
Plant and machinery (refer note a) and b) below)	916.31	197.06	(7.41)	0.88	1,106.84	396.37	84.26	(5.20)	475.42	631.42
Furniture and fixtures	15.41	0.59	(0.01)	0.03	16.01	9.08	1.54	(0.01)	10.60	5.41
Office equipments	48.68	6.59	(2.77)	-	52.50	23.66	3.33	(2.73)	24.26	28.24
Motor vehicles	10.86	3.68	(0.74)	0.02	13.83	5.87	1.78	(0.67)	6.98	6.84
Sub total (i)	1,389.06	351.96	(12.12)	1.49	1,730.39	504.64	104.51	(8.64)	600.51	1,129.88
(ii) Capital work-in-progress										
Buildings	-	-	-	-	-	-	-	-	-	14.70
Plant and equipments	-	-	-	-	-	-	-	-	-	106.03
Sub total (ii)	-	-	-	-	-	-	-	-	-	120.73
Grand Total										1,250.61

(₹ crore)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 3 Property, plant and equipment (Contd)

(₹ crore)

Particulars	Gross block			Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	Depreciation			Net block As at March 31, 2023
	Additions	Deductions					For the year	Deductions/ adjustments	As at March 31, 2023	
(i) Tangible assets										
Land- freehold	39.46	-	0.05	-	39.50	-	0.00	-	0.00	39.50
Land-leasehold	10.90	-	-	-	10.90	0.98	0.14	-	1.12	9.78
Building (refer note d) below)	315.20	(0.00)	28.75	3.44	347.39	56.80	11.75	(0.00)	68.55	278.84
Plant and machinery (refer note a) and b) below)	802.00	(10.40)	119.96	4.75	916.31	329.38	76.01	(9.03)	396.37	519.95
Furniture and fixtures	14.36	(0.02)	0.91	0.16	15.41	7.21	1.88	(0.02)	9.08	6.33
Office equipments	45.46	(0.42)	3.64	-	48.68	20.86	3.14	(0.34)	23.66	25.02
Motor vehicles	10.36	(0.97)	1.45	0.03	10.86	4.99	1.71	(0.83)	5.87	4.99
Sub total (i)	1,237.74	(11.81)	154.75	8.38	1,389.06	420.22	94.63	(10.21)	504.64	884.42
(ii) Capital work-in-progress										
Buildings	-	-	-	-	-	-	-	-	-	17.70
Plant and equipments	-	-	-	-	-	-	-	-	-	81.37
Sub total (ii)	-	-	-	-	-	-	-	-	-	99.07
Grand Total										983.49

Capital work-in-progress ageing schedule

(₹ crore)

Particulars	As at March 31, 2024				As at March 31, 2023				Total	
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2 - 3 years		More than 3 years
Projects in progress	111.55	9.18	-	-	120.73	80.83	-	18.22	0.02	99.07
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	111.55	9.18	-	-	120.73	80.83	-	18.22	0.02	99.07

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 3 Property, plant and equipment (Contd)

Capital work-in-progress Completion Schedule

(₹ crore)

Particulars	As at March 31, 2024				As at March 31, 2023			
	To be completed in				To be completed in			
	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years	Less than 1 year	1 - 2 years	2- 3 years	More than 3 years
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

Note 4 Right of use assets

(₹ crore)

Particulars	Gross block			Amortisation			Net block	
	As at April 01, 2023	Additions	Deductions/ adjustments	As at April 01, 2023	For the year	Deductions/ adjustments	As at March 31, 2024	As at March 31, 2024
Right to use assets	92.34	7.31	(2.63)	27.39	10.63	(2.13)	35.89	61.86
Grand Total	92.34	7.31	(2.63)	27.39	10.63	(2.13)	35.89	61.86

(₹ crore)

Particulars	Gross block			Amortisation			Net block	
	As at April 01, 2022	Additions	Deductions/ adjustments	As at April 01, 2022	For the year	Deductions/ adjustments	As at March 31, 2023	As at March 31, 2023
Right to use assets	80.70	8.41	-	18.44	8.95	-	27.39	64.95
Grand Total	80.70	8.41	-	18.44	8.95	-	27.39	64.95

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 5 Other intangible assets

Particulars	Gross block				Amortisation			Net block		
	As at April 01, 2023	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2024	As at April 01, 2023	For the year	Deductions/ adjustments	As at March 31, 2024	As at March 31, 2024
Specialised software	8.07	0.55	-	-	8.62	6.96	0.57	-	7.53	1.09
Non compete fee	0.41	-	(0.41)	-	0.00	0.41	-	(0.41)	-	0.00
	8.48	0.55	(0.41)	-	8.62	7.37	0.57	(0.41)	7.53	1.09
Intangible asset under development					-				-	1.72
Total	8.48	0.55	(0.41)	-	8.62	7.37	0.57	(0.41)	7.53	2.81

(₹ crore)

Particulars	Gross block				Amortisation			Net block		
	As at April 01, 2022	Additions	Deductions/ adjustments	Effect of movement in exchange rates	As at March 31, 2023	As at April 01, 2022	For the year	Deductions/ adjustments	As at March 31, 2023	As at March 31, 2023
Specialised software	7.67	0.40	-	-	8.07	6.22	0.74	-	6.96	1.11
Non compete fee	0.41	-	-	-	0.41	0.39	0.02	-	0.41	0.00
Total	8.08	0.40	-	-	8.48	6.61	0.76	-	7.37	1.11
Intangible asset under development										0.24
Total										1.35

(₹ crore)

Intangible asset under development ageing schedule

Particulars	As at March 31, 2024				As at March 31, 2023			Total	
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Less than 1 year	1 - 2 years	2 - 3 years		More than 3 years
Projects in progress	1.72	-	-	-	0.24	-	-	-	0.24
Projects temporarily suspended	-	-	-	-	-	-	-	-	-
Total	1.72	-	-	-	0.24	-	-	-	0.24

(₹ crore)

Notes :

- Includes expenditure on research and development ₹3.50 crore, (previous year ₹0.36 crore) for plant and machinery (refer note 52).
- As at the end of the year, the unamortised cost of interest cost capitalised in earlier years in respect of foreign currency borrowings is ₹3.87 crore (previous year ₹4.83 crore.)
- Refer note 21 a) for details of existence and amounts of restrictions on the title of property, plant & equipment pledged as securities.
- The Group holds all the title deeds of immovable property and there are no immovable property which are not being held in the name of the Group during current year and previous year.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 6 Non-Current Investments

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments in equity instruments		
In associate company (carried at cost)		
AMPOIL Apar Lubricants Private Limited		
- 400,000 (previous year 400,000) equity shares of ₹10, each fully paid up	0.41	0.40
Clean Max Rudra Private Limited (refer note 1 below)		
- 49,889 (previous year 25,946) equity shares of ₹10, each fully paid up	6.97	3.78
Total	7.38	4.18
a. Aggregate amount of quoted investments	-	-
b. Aggregate amount of un-quoted investments	7.38	4.18
c. Aggregate amount of impairment in values of investments	-	-

Note :

- Investment is made for consumption of solar hybrid power generated by the power plant maintained by the associate. In view of the same, investment has been stated at cost on initial recognition.
- The Company has incorporated a subsidiary Apar Middle East Limited, Saudi Arabia. As at March 31, 2024 pending certain regulatory formalities and compliances, the Company has not made any investment into the said Company. Apar Middle East Limited has not commenced any operation till March 31, 2024.

Note 7 Non-Current Loans

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured		
Loan to employees	2.29	2.51
Total	2.29	2.51

Note 8 Derivative Financial Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Derivative contracts - Non current	1.00	-
Derivative contracts - Current	18.39	34.53
Total	19.39	34.53

Note 9 Other Financial Assets Non-Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security deposits	11.39	9.26
Fixed deposits with maturity of more than 12 months (refer note below)	0.80	0.80
Total	12.19	10.06

Note : All fixed deposits are under lien.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 10 Other Non-Current Assets

(₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Capital advances	30.28	57.55
Balance with government authorities	2.33	3.47
Prepayments	1.89	1.76
Total	34.50	62.78

Note 11 Inventories

(₹ crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
Raw materials and packing materials	955.25	1,066.70
Raw materials and packing materials - in transit	422.75	169.47
Work-in-progress	463.79	410.69
Finished goods	549.54	456.96
Finished goods - in transit	358.26	374.20
Stock-in-trade	44.24	32.64
Stock-in-trade - in transit	-	0.02
Stores and spares	70.63	64.96
Total	2,864.46	2,575.64

Note : Inventories are valued at lower of cost (computed on weighted average basis) and net realisable value.

Note 12 Current Investments

(₹ crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Units	Amount	Units	Amount
Investment in equity instrument measured ast FVTPL				
Investment in mutual funds				
Canara Robeco liquid fund direct growth plan	-	-	2,58,616.16	30.01
Canara Robeco banking and PSU debt fund growth plan	9,24,869.13	1.03	-	-
Canara Robeco savings fund growth plan	5,29,064.28	2.08	-	-
SBI Overnight Fund	703.89	0.27	54,835.22	20.09
Total	14,54,637.30	3.38	3,13,451.38	50.10
a. Aggregate amount of quoted investments				
Book value		3.38		50.10
Market value		3.38		50.10
b. Aggregate amount of un-quoted investments		-		-
c. Aggregate amount of impairment in values of investments		-		-

All the above securities have been classified and measured at FVTPL. Information about the Group's fair values and risk management disclosure are included in Note 45

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 13 Trade Receivables

(₹ crore)

Particulars	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Considered good, secured	-	-	2,784.71	2,095.83
Considered good, unsecured (refer note ii) below)	11.52	27.51	1,156.94	1,103.22
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables, credit impaired	-	-	76.90	45.18
	11.52	27.51	4,018.55	3,244.22
Less: loss allowance (refer note (ii) below)	-	-	89.64	46.15
	11.52	27.51	3,928.91	3,198.07

Note:

- Refer note 21 for receivables offered as security against borrowing
- Receivable from associate is as below; Also refer note 50

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Ampoil Apar Lubricants Private Limited	0.02	0.02

The Group's exposure to credit and currency risk related to trade receivables is disclosed in note 46

Trade receivable ageing

(₹ crore)

As at March 31, 2024	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	2,941.18	831.76	71.31	57.74	6.11	45.07	3,953.17
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - credit impaired	0.17	18.21	3.15	27.91	11.58	15.08	76.10
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	-	-	-	0.80	0.80
Total	2,941.35	849.97	74.46	85.65	17.69	60.95	4,030.07
Less: loss allowances							89.64
Trade receivable net of loss allowance							3,940.43
Of the above current trade receivable							3,928.91
Of the above non-current trade receivable							11.52

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 13 Trade Receivables (Contd)

Trade receivable ageing

(₹ crore)

As at March 31, 2023	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed trade receivables - considered good	2,517.54	552.40	75.71	21.44	53.03	6.43	3,226.54
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed trade receivables - credit impaired	-	3.71	0.95	7.45	4.49	20.21	36.81
iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed trade receivables - credit impaired	-	-	0.05	2.32	0.06	5.94	8.37
Total	2,517.54	556.11	76.71	31.22	57.58	32.58	3,271.73
Less: loss allowances							46.15
Trade receivable net of loss allowance							3,225.58
Of the above current trade receivable							3,198.07
Of the above non-current trade receivable							27.51

Note 14 Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks (includes remittance in transit ₹37.91 crores (previous year ₹ nil))	568.00	498.54
Deposits with original maturity of less than three months	15.07	-
Cash on hand	0.93	0.27
Total	584.00	498.81

Note 15 Bank Balance other than Cash and Cash Equivalents

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with original maturity for more than 3 months but less than 12 months (refer note i) below)	33.65	9.35
Margin money deposit (refer note ii) below)	26.72	19.56
Unclaimed dividend account	0.88	0.81
Balances with bank in foreign currencies having restriction on repatriation	0.78	1.57
Total	62.03	31.29

Note:

- All fixed deposits are given as a security against the issuance of bank guarantee
- The Group has placed ₹12.22 crores (previous year ₹5.06 crores) against letters of credit for import of raw materials and working capital loans for one of its division. Balance ₹14.50 crores (previous year ₹14.50 crores) is interest free margin against performance guarantees.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 16 Loans

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Unsecured		
Loan to employees	1.14	1.09
Loan to others	-	4.11
Total	1.14	5.20

Note 17 Other Financial Assets - Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposits	9.22	8.77
Advances to related parties (refer note below)	2.60	0.91
Contract assets (refer note 53 iv)	48.39	37.26
Interest accrued but not due on deposits	3.37	1.42
Total	63.58	48.36

Note:

Includes amounts of ₹2.59 crores given to an entity which was a related party until a part of the current year

Note 18 Other Current Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with statutory / government authorities	288.56	304.32
Prepayments	53.62	49.75
Claims receivable	56.84	115.07
Other receivable	6.96	3.32
Advances to vendors	238.10	92.09
Total	644.08	564.55

Note 19 Equity Share Capital

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised :		
10,19,98,750 (previous year 101,998,750) equity shares of ₹10 each	102.00	102.00
	102.00	102.00
Issued :		
4,01,68,315 (previous year 38,268,619) equity shares of ₹10 each	40.17	38.27
	40.17	38.27
Subscribed and paid up :		
4,01,68,315 (previous year 3,82,68,619) Equity shares of ₹10 each	40.17	38.27
	40.17	38.27

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 19 Equity Share Capital (Contd)

Reconciliation of number of shares outstanding at the beginning and end of the year :

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding at the beginning of the year	3,82,68,619	3,82,68,619
Issue of equity shares during the year (refer note 55)	18,99,696	-
Outstanding at the end of the year	4,01,68,315	3,82,68,619

Terms/rights attached to equity shares

- The Group has one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Proposed Dividend

The Parent Company declares and pays dividends in Indian rupees. The Board of Directors of the Parent Company have recommended final dividend for the year ended March 31, 2024 @ ₹51 per share aggregating to ₹204.86 crores on 4,01,68,315 equity shares having face value of ₹10/- each fully paid. This will be paid after approval of shareholders at the ensuing Annual General Meeting.

The actual dividend amount is dependent upon the relevant share capital outstanding as on the record date / book closure.

Shareholders holding more than 5% shares in the Group

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	%	No. of shares	%
Kushal N. Desai	92,08,503	22.92	92,08,503	24.06
Chaitanya N. Desai	91,24,185	22.71	91,24,185	23.84
Maithili N. Desai Family Pvt. Trust No. 2 - Trustee Maithili Trusteeship Services Private Limited	44,28,187	11.02	44,02,687	11.50
HDFC Trustee Company Limited	*	*	24,18,293	6.32

* since shareholding is less than 5% it is not disclosed

Shares reserved for issue under options

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Shareholding of Promoter / Promoter Group - shares held by promoters at the end of the year

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Kushal N. Desai	92,08,503	22.92	(1.14)	92,08,503	24.06	-
Chaitanya N. Desai	91,24,185	22.71	(1.13)	91,24,185	23.84	0.07
Maithili N. Desai Family Pvt. Trust No. 2	44,28,187	11.02	(0.48)	44,02,687	11.50	-
Apar Corporation Pvt Ltd	84,353	0.21	(0.08)	1,09,853	0.29	-
Rishabh K. Desai	42,398	0.11	0.00^	42,398	0.11	-
Gaurangi K. Desai	3,200	0.01	0.00^	3,200	0.01	-
Noopur K. Desai	2,139	0.01	0.00^	2,139	0.01	-
Jinisha C. Desai	500	0.00^	0.00^	500	0.00^	-
Devharsh C. Desai	1,31,555	0.33	(0.01)	1,31,555	0.34	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 19 Equity Share Capital (Contd)

Particulars	As at March 31, 2024			As at March 31, 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Maithili N. Desai Family Pvt. Trust	98,983	0.25	(0.01)	98,983	0.26	-
Maithili Trusteeship Services Pvt. Ltd.	300	0.00 [^]	0.00 [^]	300	0.00 [^]	-
Kushal N. Desai Family Private Trust	40,000	0.10	0.00 [^]	40,000	0.10	-
Chaitanya N. Desai Family Private Trust	40,000	0.10	0.00 [^]	40,000	0.10	-

[^] denotes holding less than 0.01%

Note 20 Other Equity

A) Reserves and Surplus

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserve	23.46	23.46
Securities premium	1,190.25	205.18
Capital redemption reserve	14.98	14.98
General reserve	352.31	352.31
Retained earnings - surplus	2,241.80	1,569.76
Reserves and surplus	3,822.80	2,165.69

Note: The nature and purpose of each of the reserves have been explained under statement of changes in equity.

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital reserve		
Opening balance	23.46	23.46
Increase / (decrease) during the year	-	-
Closing balance	23.46	23.46
Securities premium		
Opening balance	205.18	205.18
Increase / (decrease) during the year	985.07	-
Closing balance	1,190.25	205.18
Capital redemption reserve		
Opening balance	14.98	14.98
Increase / (decrease) during the year	-	-
Closing balance	14.98	14.98
General reserve		
Opening balance	352.31	292.31
Transfer from retained earnings	-	60.00
Closing balance	352.31	352.31
Retained earnings - surplus		
Opening balance	1,569.76	1,049.44
Profit for the year	825.11	637.72
Transfer to general reserves	-	(60.00)
Final dividend paid	(153.07)	(57.40)
Closing balance	2,241.80	1,569.76

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 20 Other Equity (Contd)

B) Other Comprehensive Income

Particulars	(₹ crore)	
	As at March 31, 2024	As at March 31, 2023
Foreign currency translation reserve	26.55	24.56
Hedging reserve	(5.53)	14.58
Re-measurement of defined benefit plan	(7.56)	(6.71)
Items of other comprehensive income	13.46	32.43

Note: The nature and purpose of each of the item of other comprehensive income has been explained under statement of changes in equity

Particulars	(₹ crore)	
	As at March 31, 2024	As at March 31, 2023
Foreign currency translation reserve		
Opening balance	24.56	12.88
Other comprehensive income / (loss) for the year	1.99	11.67
Closing balance	26.55	24.56
Hedging reserve		
Opening balance	14.58	85.34
Other comprehensive income / (loss) for the year	(20.11)	(70.75)
Closing balance	(5.53)	14.58
Remeasurement of defined benefit liability (asset)		
Opening balance	(6.71)	(6.61)
Other comprehensive income / (loss) for the year	(0.85)	(0.11)
Closing balance	(7.56)	(6.71)

Note 21 Long Term Borrowings

Particulars	(₹ crore)	
	As at March 31, 2024	As at March 31, 2023
Term loans (Secured)		
Foreign currency term loans from banks (External Commercial Borrowings)	334.31	151.37
Total	334.31	151.37

For current portion of long term borrowings refer note 25

Information about the Group's exposure to liquidity risk, foreign currency and interest rate is included in note 46

Foreign currency loan are taken from State Bank of India, Tokyo and State Bank of India Gift City . The details of security and terms of repayment is as under:

a) Details of security

The Foreign Currency Term Loan from State Bank of India, Tokyo:- It is secured by way of a First Charge on movable and immovable fixed assets of the Parent Company by way of Hypothecation / Equitable Mortgage of Khatalwad Unit and Office Building (Building No. 4 Corporate park, Chembur). Minimum Fixed Assets Coverage Ratio (FACR) of 1.25 to be maintained during the entire tenor of the loan.

The Foreign Currency Term Loan from State Bank of India, Gift City:- It is secured by way of a first charge on movable and immovable fixed assets of the Parent Company (Office premises of building no 4 corporate park chembur, manufacturing facilities at Lapanga, Jharsuguda and Khatalwada unit, central warehousing and testing unit at silvassa) by way of Hypothecation/ Equitable Mortgage. Minimum Fixed Assets Coverage Ratio (FACR) of 1.25 to be maintained during the entire tenor of the loan.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 21 Long Term Borrowings (Contd)

b) Terms of repayment and interest rate of term loan :

Foreign currency term loan from State Bank of India, Tokyo:- Loan is to be repaid in 20 structured quarterly installments. The repayment has started from 05 September 2021 onwards. First 4 quarterly installments will be of \$ 0.5 million each, next 5 quarterly installments will be of \$ 0.75 million each, next 1 installment will be \$1 million, next 5 quarterly installments of \$ 1.75 million each, next 2 installment will be of \$2 million each and balance 3 installments will be of \$ 2.50 each. The interest is payable at 3 months Libor + 1.70% on quarterly basis.

Foreign currency term loan from State Bank of India, Gift City:- It has a moratorium period of 18 months starting from August 2023. Loan is to be repaid in 21 structured quarterly installments. First 8 quarterly installments will be \$1.11 million each, next 10 quarterly installments will be of \$1.60 million each and balance 3 quarterly installments will be of \$1.73 million each. The interest is payable at 3 months SOFR + 1.97% on quarterly basis. Out of the total sanctioned limit of \$ 40 million, \$ 30 million has been drawn down till the end of the reporting date.

The Group does not have any continuing default as on the balance sheet date in respect of repayment of principle and interest.

c) Changes in liabilities arising from financing activities

(₹ crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Long Term	Short Term	Long Term	Short Term
Opening Balances				
Long term borrowing	151.37	-	195.37	-
Short term borrowing (refer note 25)	-	152.79	-	96.53
Current maturities of long term borrowing (refer note 25)	58.52	(58.52)	57.48	(57.48)
Total opening balances	209.89	94.27	252.85	39.05
Cash flow movements				
Proceeds / (repayments) from long term borrowings - net	192.71	-	(51.91)	-
Proceeds / (repayments) from short term borrowings - net	-	(89.90)	-	55.22
Total Cash Flow movements	192.71	(89.90)	(51.91)	55.22
Foreign exchange fluctuations	(1.43)	-	8.95	-
Total Foreign Exchange fluctuations	(1.43)	-	8.95	-
Closing Balances				
Long term borrowing	334.31	-	151.37	-
Short term borrowing (refer note 25)	-	71.23	-	152.79
Current maturities of long term borrowing (refer note 25)	66.86	(66.86)	58.52	(58.52)
Total Closing Balance	401.17	4.37	209.89	94.27

Note 22 Derivative Financial Liabilities

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Derivatives contracts - Non Current	0.19	-
Derivatives contracts - Current	23.16	21.42
Total	23.35	21.42

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 23 Other Financial Liabilities - Non - Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits from dealers (refer note below)	5.17	5.09
Liability for share based payments	8.22	3.44
Total	13.39	8.53

Note : Measured at amortised cost

Note 24 Long Term Provisions

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for gratuity - in respect of directors	3.14	2.75
Provision for leave encashment	10.62	9.43
Provision for Warranties (refer note 29)	0.29	0.27
Total	14.05	12.45

Note 25 Short Term Borrowings

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Loans		
Current portion of long term borrowing (refer note 21)		
(i) Foreign currency term loans from banks (External commercial borrowings)	66.86	34.64
(ii) Rupee term loan from bank	-	23.88
(iii) Foreign currency term loans from others	0.02	-
Cash credit from bank	4.35	-
Unsecured Loans		
Buyer's credit facilities	-	72.03
From others (bills discounting with recourse)	-	22.24
Total	71.23	152.79

Note :

The Group does not have any continuing default as at the balance sheet date in repayment of principle and interest.

Note 26 Trade Payable

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Acceptances	3,946.21	4,136.57
Due to micro and small enterprises	28.07	84.90
Due to other than micro and small enterprises	838.77	984.83
Total	4,813.05	5,206.30

Note:

i) There are no amounts due to associates.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 26 Trade Payable (Contd)

Trade receivable ageing

(₹ crore)

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	28.07	-	-	-	-	28.07
ii) Others	4,333.72	342.28	86.65	12.50	9.83	4,784.98
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	4,361.79	342.28	86.65	12.50	9.83	4,813.05

Trade receivable ageing

(₹ crore)

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) MSME	84.90	-	-	-	-	84.90
ii) Others	4,489.27	595.42	25.10	7.17	4.44	5,121.40
iii) Disputed dues - MSME	-	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-	-
Total	4,574.17	595.42	25.10	7.17	4.44	5,206.30

Note 27 Other Financial Liabilities - Current

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due	49.76	54.10
Creditors for capital expenditure	29.48	13.96
Liability for share based payments	13.38	4.63
Unclaimed dividend (refer note below)	0.88	0.81
Salary, wages and others benefits payable to employees	16.83	12.31
Deposit from dealers	0.01	0.13
Total	110.34	85.94

Note :

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as on the reporting date.

Note 28 Other Current Liabilities

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Contract liability (refer note 53 iv)	165.86	176.20
Statutory dues	8.69	12.28
Other payables	9.26	8.22
Total	183.81	196.70

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 29 Short Term Provisions

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for gratuity	3.14	2.43
Provision for leave benefits	3.41	1.83
Provision for warranties (refer note below)	0.14	-
Total	6.69	4.26

Movement of provision for warranties is as follows

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Opening Balance	0.27	-
Additional provision recognised during the year	0.29	0.27
Amounts utilised during the year	0.13	-
Closing Balance	0.43	0.27

Note 30 Revenue from operations

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Sale of goods	16,020.20	14,213.27
Sale of services	24.95	44.57
Other operating revenue:		
Scrap sales	64.76	53.25
Export incentives	43.07	25.21
Total	16,152.98	14,336.30

Reconciliation of revenue from contract price with customer is as follows

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Revenue as per contract price with customer	16,210.43	14,368.67
Less: Adjustments towards discounts, rebates, incentives etc	57.45	32.37
Revenue as recognised in the financial statements	16,152.98	14,336.30

Note 31 Other Income

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Interest income on financial assets measured at amortized cost	39.19	19.41
Gain on foreign exchange translations (net)	13.00	-
Gain on sale of investments (net)	7.58	1.66
Provision for bad debts written back	7.21	-
Debts written off in earlier years now recovered	0.24	5.14
Provision no longer required written back	9.53	7.00
Miscellaneous income	9.68	4.26
Total	86.43	37.47

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 32 Cost of Material Consumed

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Inventory of raw material and packing material at the beginning of the year	1,236.17	1,152.74
Add : Purchases made during the year	12,703.15	11,413.97
	13,939.32	12,566.71
Less: Inventory of raw material and packing material at the end of the year	1,378.00	1,236.17
Foreign currency translation reserve	2.34	10.89
Total	12,563.66	11,341.43

Note 33 Changes in Inventories of finished goods, stock-in-trade and work-in-progress

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Inventories at the beginning of the year		
Finished goods	831.16	611.26
Work-in-progress	410.69	290.07
Traded goods	32.66	36.35
	1,274.51	937.68
Inventories at the end of the year		
Finished goods	907.80	831.16
Work-in-progress	463.79	410.69
Traded goods	44.24	32.66
Foreign currency translation reserve	0.19	2.17
	1,415.64	1,272.34
Total	(141.13)	(334.66)

Note 34 Employee Benefit Expenses

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Salaries & wages including bonuses	238.67	188.20
Contribution to provident and other funds (refer note 42)	10.77	8.65
Gratuity expense (refer Note 42)	2.83	2.55
Share based payments	18.79	8.07
Staff welfare expenses	17.79	13.03
Total	288.85	220.50

Note 35 Finance Costs

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Interest on borrowings	22.75	12.63
Interest on acceptances (suppliers credit)	257.42	159.32
Unwinding of discount on lease liabilities	3.00	2.80
Other borrowing cost	87.61	82.09
Exchange differences regarded as an adjustment to borrowing costs	15.80	48.66
Total	386.58	305.50

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 36 Depreciation and Amortisation expenses

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Depreciation on property, plant & equipments	104.51	94.63
Amortisation of intangible assets	0.57	0.76
Amortisation of right of use assets	10.63	8.95
Total	115.71	104.34

Note 37 Other Expenses

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Stores and spares consumed	80.86	60.49
Storage charges	11.55	16.57
Power, electricity and fuel	159.90	127.04
Processing charges, fabrication and labour charges	356.26	277.82
Freight and forwarding charges	571.89	788.63
Statutory levies, duties and taxes	3.78	4.16
Insurance	27.71	21.59
Repairs and maintenance		
Plant and machinery	14.08	8.61
Buildings	4.47	2.78
Others	13.17	10.94
Advertising and sales promotion	32.44	19.73
Sales commission	192.79	187.19
Travelling and conveyance	37.66	28.89
Printing and stationery	2.03	1.84
Legal and professional fees	43.65	55.31
Loss on foreign exchange translations (net)	0.00	10.50
Directors' sitting fees	0.28	0.16
Commission to Directors	23.13	16.76
Lease rental (refer note 54)	11.24	11.67
Expenditure on corporate social responsibility activities	9.07	4.53
Donations	0.07	0.07
Royalty	12.47	10.78
Bank charges and commission	45.49	38.61
Bad debts written-off	1.33	30.35
Less: loss allowances utilised	(0.94)	(25.79)
Loss allowances for doubtful debts	51.59	34.49
Advances written-off	4.16	-
Less: Loss allowances utilised	(2.01)	-
Loss Allowances for doubtful advances	-	4.40
Loss on sale of Property, plant and equipments (net)	0.54	1.51
Miscellaneous expenses	93.18	63.01
Total	1,801.85	1,812.64

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 38 Earning Per Share

The calculation of basic and diluted earnings per share is based on the profit attributable to ordinary equity shareholders and weighted-average number of ordinary equity shares outstanding during the year.

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Profit attributable to equity shareholders (₹ crore)	825.11	637.72
Weighted average number of equity shares at beginning of the year	3,82,68,619	3,82,68,619
Add: Weighted average number of equity shares issued during the year	6,33,232	-
Weighted average number of equity shares at end of the year	3,89,01,851	3,82,68,619
Earning per share (Basic & Diluted) (₹)	212.10	166.64
Face value per share (₹)	10.00	10.00

Note 39 Tax Expenses

Tax expense

(a) Amounts recognised in consolidated statement of profit and loss

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Current tax charge / (credit)		
In respect of current year	294.61	221.80
In respect of prior year	(3.36)	1.85
	291.25	223.65
Deferred tax charge / (credit)		
In respect of current year origination or reversal of temporary difference	(10.51)	(6.81)
	(10.51)	(6.81)
Income Tax expense for the year	280.74	216.84

(b) Amounts recognised in other comprehensive income

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Deferred tax charge / (credit)		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	(0.28)	(0.04)
Items that will be reclassified to profit or loss		
The effective portion of gains and loss on hedging instruments in a cash flow hedge	(6.53)	(23.8)
Income tax expense recognised in other comprehensive income	(6.81)	(23.8)

(c) Amounts recognised in equity

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Current tax charge / (credit)		
In respect of current year	(0.88)	-
	(0.88)	-
Deferred tax charge / (credit)		
In respect of current year origination or reversal of temporary difference	(3.51)	-
	(3.51)	-
Income Tax expense for the year recognised in equity	(4.38)	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 39 Tax Expenses (Contd)

(d) Reconciliation of effective tax rate

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Profit before tax	1,105.85	854.56
Enacted income tax rate in India	25.168%	25.168%
Current tax expenses applying tax rate applicable to the Group	278.32	215.08
Tax effect of:		
Non-deductible tax expenses	4.63	1.11
Deduction under chapter VIA	0.02	(0.03)
Employee benefits	2.00	-
Others	(3.54)	0.28
Non-taxable subsidiaries and effect of differential tax rates compared to local laws	2.67	(1.45)
Income tax recognised in respect of earlier years	(3.36)	1.85
Income tax expenses for the year	280.74	216.84

Note 40 Deferred Tax Liabilities (net)

Movement in deferred tax balances

Particulars	For Year ended March 31, 2024				As at March 31, 2024		
	Net opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net closing balance	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(38.29)	(1.58)	-	-	(39.87)	-	(39.87)
Derivatives	(3.30)	3.47	6.53	-	6.70	6.70	-
Loans and borrowings	(0.26)	(1.77)	-	-	(2.03)	-	(2.03)
Employee benefits	5.67	0.42	0.28	-	6.37	6.37	-
Lease expenses	0.40	0.08	-	-	0.48	0.48	-
Provisions	14.09	9.89	-	-	23.98	23.98	-
Share issue expenses	-	-	-	3.51	3.51	3.51	-
Deferred tax assets / (liabilities)	(21.70)	10.51	6.81	3.51	(0.86)	41.04	(41.90)
Set off of deferred tax asset							41.04
Net tax assets (liabilities)							(0.86)

Particulars	For Year ended March 31, 2023				As at March 31, 2023		
	Net opening balance	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Net closing balance	Deferred tax asset	Deferred tax liability
Property, plant and equipment	(39.44)	1.15	-	-	(38.29)	-	(38.29)
Derivatives	(27.30)	0.21	23.79	-	(3.30)	-	(3.30)
Loans and borrowings	(0.37)	0.11	-	-	(0.26)	-	(0.26)
Employee benefits	4.39	1.24	0.04	-	5.67	5.67	-
Lease expenses	0.26	0.14	-	-	0.40	0.40	-
Deferred income	0.15	(0.15)	-	-	(0.00)	-	(0.00)
Provisions	9.98	4.11	-	-	14.09	14.09	-
Tax assets (liabilities)	(52.34)	6.81	23.83	-	(21.70)	20.16	(41.86)
Set off of deferred tax asset							20.16
Net tax assets (liabilities)							(21.70)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax asset is based on estimates of taxable income and the period over which deferred tax asset will be recovered

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 41 Analysis of Financial Ratios

Particulars	For Year ended	For Year ended	Variances%	Formulae	
	March 31, 2024	March 31, 2023		Numerator	Denominator
Performance ratios					
Net profit margin (%)	5.11%	4.45%	0.66%	Profit after tax X 100	Revenue from operations
Return on capital employed (%)	26.38%	33.86%	(7.48%)	Profit before interest on borrowings and tax X 100	Total Tangible Net worth + Long term borrowings + Short term borrowings + Deferred tax liability
Return on equity ratio (%)	27.00%	32.28%	(5.28%)	Profit after tax	Average equity
Return on investment (%)	15.54%	4.53%	11.01%	Gain from sale of investments + Interest income on bank deposits X 100	Average investments + Fixed deposits
Debt service coverage ratio (times)	5.84	11.19	(47.82%)	Profit after tax + Depreciation + Interest on borrowings + Profit / Loss on sale of fixed asset	Repayment of long term borrowing + Repayment of short term borrowing + Lease payments
Leverage ratios					
Debt - equity ratio (times)	0.10	0.14	(23.08%)	Long Term borrowing + Short term borrowing	Total equity
Liquidity ratios					
Current ratio (times)	1.54	1.22	25.5%	Current assets	Current liabilities
Activity ratios					
Inventory turnover ratio (times)	4.61	4.70	(1.89%)	Cost of material consumed + Changes in inventories + Purchase of stock in trade	Average inventory
Trade receivable turnover ratio (times)	4.51	4.97	(9.31%)	Revenue from operations	Average trade receivables
Trade payable turnover ratio (times)	2.56	2.47	3.5%	Purchases of materials and stock-in-trade	Average trade payables
Net capital turnover ratio (times)	7.81	12.65	(38.27%)	Revenue from operations	Average working capital

Reason for variation of more than 25%

Debt service coverage ratio (times)

Higher amount of repayment of principle portion during the year resulted into a change in the ratio.

Current ratio (times)

Due to utilisation of amounts received (from issue of shares through qualified institutional placement) to purchase raw materials on cash, current liabilities have reduced resulting into a change in the ratio.

Net capital turnover ratio (times)

Due to utilisation of money received (from issue of shares through qualified institutional placement) to purchase raw materials on cash, working capital have reduced resulting into a change in the ratio.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 42 Statement of Net Assets & Profit or Loss attributable to Owners & Non Controlling Interest

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
Apar Industries Limited	95.34%	3,695.72	99.78%	823.28	110.44%	(20.95)	99.53%	802.33
Subsidiaries								
Indian								
Apar Transmission & Distribution Projects Private Limited	1.30%	50.56	1.32%	10.87	0.00%	-	1.35%	10.87
Apar Distribution and Logistics Private Limited	0.15%	5.69	0.27%	2.27	0.06%	(0.01)	0.28%	2.26
Foreign								
Petroleum Specialities Pte Limited	3.28%	127.01	0.00%	0.02	0.00%	-	0.00%	0.02
Petroleum Specialities FZE	2.65%	102.68	(1.23%)	(10.13)	0.00%	-	(1.26%)	(10.13)
CEMA Wires & Cables LLC	0.01%	0.42	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Non-controlling interests	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associate (investment as per the equity method)								
Indian								
Ampoil Apar Lubricants Private Limited	0.01%	0.48	0.00%	0.01	0.00%	-	0.00%	0.01
Clean Max Rudra Private Limited	0.18%	6.97	(0.07%)	(0.62)	0.00%	-	(0.08%)	(0.62)
Consolidation adjustments / eliminations	(2.92%)	(113.07)	(0.00)	(0.57)	(10.50%)	1.99	0.18%	1.42
Total	100.00%	3,876.44	100.00%	825.11	100.00%	(18.97)	100.00%	806.14

Note:

The Group has incorporated a wholly owned subsidiary "Apar Industries Middle East Limited" in Saudi Arabia. As at March 31, 2024 pending certain regulatory formalities and compliances, the Group has not made any investment into the said wholly owned subsidiary. Apar Industries Middle East Limited has not commenced any operation till March 31, 2024.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 43 Employee benefits

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of salary cost to the retirement benefit plan to fund the benefits.

The Group recognised ₹2.3 crore (previous year ₹1.94 crore) for superannuation contribution and other retirement benefit contributions in the consolidated statement of profit and loss.

The Group recognised ₹8.47 crore (previous year ₹5.24 crore) for provident fund contributions in the consolidated statement of profit and loss.

The contributions payable to these plans by the Group are at rates specified in the rules of the schemes governed by the respective plan.

(ii) Defined Benefit Plan:

The Employees' Gratuity Fund Scheme which is managed by a Trust is a defined benefit plan. 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 obligation for leave encashment is measured in the same manner as gratuity. The Group provides for leave encashment liability as per the actuarial valuation carried out as at March 31, 2024. The Group has recognised ₹3.86 crore (previous year ₹3.44 crore) for leave encashment liability in the Statement of Profit and Loss.

As at 31 March 2024, actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in The Group's financial statements as at end of the year:

Movement in net defined benefit (asset) liability

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
	Gratuity	Gratuity
Defined benefit obligation at beginning of the year	26.55	25.37
Current service cost	2.36	2.11
Interest cost	1.96	1.75
Re-measurement or actuarial (gain) / loss arising from:		
Demographic assumptions	-	-
Financial assumptions	0.33	(0.78)
Experience adjustment	1.60	0.41
Benefits paid	(2.10)	(2.32)
Defined benefit obligation at end of the year	30.70	26.55

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 43 Employee benefits (Contd)

Table showing change in Fair Value of Plan Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
	Gratuity	Gratuity
Fair value of plan assets at beginning of the year	23.50	19.45
Interest income	1.74	1.34
Return on plan assets, excluding interest income	0.81	(0.52)
Employer contribution	3.56	5.55
Benefit paid	(2.10)	(2.32)
Fair value of plan assets at year end	27.51	23.50
Actual return on plan assets	2.55	0.82
Expected contribution for next year	5.87	4.72

Expense recognised during the year

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
	Gratuity	Gratuity
Amounts recognised in the consolidated statement of profit and Loss		
Current service cost	2.36	2.11
Interest cost	1.96	1.75
Interest income	(1.74)	(1.34)
	2.58	2.52
Amounts recognised in the other comprehensive income		
Re-measurement or actuarial (gain) / loss arising from:		
Demographic assumptions	-	-
Financial assumptions	0.33	(0.78)
Experience adjustment	1.60	0.41
Return on plan assets, excluding interest income	(0.81)	0.52
	1.12	0.15

Net asset / (liability) recognised in the consolidated balance sheet

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
	Gratuity	Gratuity
Fair value of plan assets as at end of the year	27.51	23.50
Present value of obligation as at end of the year	(30.70)	(27.72)
Amount recognised in balance sheet	(3.19)	(4.22)

Balance sheet reconciliation

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
	Opening net liability recognised in the consolidated balance sheet	2.96
Amounts recognised in consolidated statement of profit and loss	2.58	2.52
Amounts recognised in other comprehensive income	1.12	0.15
Employer contribution	(3.56)	(5.55)
Closing net liability recognised in the consolidated balance sheet	3.10	2.96

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 43 Employee benefits (Contd)

i) Actuarial assumptions

In arriving at the valuation for gratuity & leave benefit, following assumptions were used:

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Mortality table (LIC)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement age	60 years - 75 years	60 years - 75 years
Employee turnover rate*	4.80% p.a. to 11.60% p.a.	4.80% p.a. to 11.60% p.a.
Discount rate	7.21%	7.41%
Expected rate of return on plan assets (per annum)	7.21%	7.41%
Rate of escalation in salary (per annum)*	6.90% p.a. to 10.00% p.a.	6.90% p.a. to 10.00% p.a.

*Range is pertaining to different divisions of the Group for employee turnover rate and rate of escalation in salary.

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Effect of increase by 1%	Effect of decrease by 1%	Effect of increase by 1%	Effect of decrease by 1%
Discount rate	(1.60)	1.80	(1.40)	1.57
Rate of escalation in salary	1.76	(1.60)	1.54	(1.40)
Employee turnover	(0.15)	0.15	(0.10)	0.09

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

These plan typically exposes the Group to actuarial risks such as salary risk, investment risk, interest yield risk, longevity risk etc.

Maturity analysis of the defined benefit payments from the fund

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Projected benefits payable in future years from the date of reporting		
1 st following year	5.15	3.50
2 nd following year	2.44	2.06
3 rd following year	3.56	3.07
4 th following year	4.22	3.20
5 th following year	2.47	3.83
From 6 to 10 years	13.12	12.53
From 11 years and above	20.25	16.64

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 43 Employee benefits (Contd)

Category of Plan Assets

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance funds	1.32	1.22
Mutual funds	21.25	18.87
Cash and cash equivalents	4.94	3.41
Fair value of plan assets	27.51	23.50

Note 44 Share Based Payments

The disclosures pertaining to cash-settled share-based payment arrangements in the year are as below:

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Type of arrangement	SAR to Select Senior management	SAR to Select Senior management
Date of grant of share appreciation right (SAR)	26 th April, 2022	26 th April, 2022
Number of SAR	60,000	60,000
Vesting period	1/3 rd at the end of year 1 1/3 rd at the end of year 2 1/3 rd at the end of year 3	1/3 rd at the end of year 1 1/3 rd at the end of year 2 1/3 rd at the end of year 3
Amount recognised in the consolidated balance sheet	21.59	8.07
Amount recognised in the consolidated statement of profit and loss	18.79	8.07

Note 45 Fair Value of Financial Instruments

A. Hierarchy of fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(₹ crore)

As at March 31, 2024	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Financial assets								
Current investments								
- Non-current	6	-	-	7.38	7.38			
Current investments	12	3.38	-		3.38	3.38	-	3.38
Loans								
- Non-current	7	-	-	2.29	2.29			
- Current	16	-	-	1.14	1.14			
Trade receivables								
- Non-current	13	-	-	11.52	11.52			
- Current	13	-	-	3,928.91	3,928.91			
Cash and cash equivalents	14	-	-	584.00	584.00			
Other bank balances	15	-	-	62.03	62.03			

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 45 Fair Value of Financial Instruments (Contd)

(₹ crore)

As at March 31, 2024	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Total
Other financial assets								
- Non-current	9	-	-	12.19	12.19			
- Current	17	-	-	63.58	63.58			
Derivatives								
- Non-current	8	-	1.00	-	1.00	-	1.00	1.00
- Current	8	0.86	17.53	-	18.39	-	18.39	18.39
Total financial assets		4.24	18.53	4,673.04	4,695.81	3.38	19.39	22.77
Financial liabilities								
Borrowings								
- Non-current	21	-	-	334.31	334.31			
- Current	25	-	-	71.23	71.23			
Lease liabilities								
- Non-current		-	-	60.33	60.33			
- Current		-	-	9.74	9.74			
Other financial liabilities								
- Non-current	23	-	-	13.39	13.39			
- Current	27	-	-	110.34	110.34			
Derivatives								
- Non-current	22	-	0.19	-	0.19		0.19	0.19
- Current	22	0.36	22.79	-	23.16	-	23.16	23.16
Trade payables	26	-	-	4,813.05	4,813.05			
Total financial liabilities		0.36	22.98	5,412.40	5,435.75	-	23.35	23.35

(₹ crore)

As at March 31, 2023	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Total
Financial assets								
Current investments								
- Non current	6	-	-	4.18	4.18			
Current investments	12	50.10	-	-	50.10	50.10	-	50.10
Loans & advances								
- Non-current	7	-	-	2.51	2.51			
- Current	16	-	-	5.20	5.20			
Trade receivables								
- Non-current	13	-	-	27.51	27.51			
- Current	13	-	-	3,198.07	3,198.07			
Cash and cash equivalents	14	-	-	498.81	498.81			
Other bank balances	15	-	-	31.29	31.29			
Other financial assets								
- Non-current	9	-	-	10.06	10.81			
- Current	17	-	-	48.36	47.61			

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 45 Fair Value of Financial Instruments (Contd)

(₹ crore)

As at March 31, 2023	Note No.	Carrying amount				Fair value		
		FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Total
Derivatives								
- Non-current	8	-	-	-	-	-	-	
- Current	8	0.05	34.48	-	34.53	-	34.53	34.53
Total financial assets		50.15	34.48	3,825.99	3,910.62	50.10	34.53	84.63
Financial liabilities								
Borrowings								
- Non-current	21	-	-	151.37	151.37			
- Current	25	-	-	152.79	152.79			
Leases								
- Non-current				63.70	63.70			
- Current				8.37	8.37			
Other financial liabilities								
- Non-current	23	-	-	8.53	8.53			
- Current	27	-	-	85.94	85.94			
Derivatives								
- Non-current	22	-	-		-			
- Current	22	4.80	16.62		21.42	-	21.42	21.42
Trade payables	26	-	-	5,206.30	5,206.30			
Total financial liabilities		4.80	16.62	5,604.92	5,698.41	-	21.42	21.42

Notes:

- The fair value for financial assets and liabilities which are measured at amortised cost and has fair value which is reasonably approximate to its carrying value have not been disclosed in the above table.
- There are no financial instruments which are measured using level 3 valuation technique.

B. Measurement of fair values

Valuation techniques and significant observable inputs.

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant observable inputs used (if any).

Financial instruments measured at fair value

Type	Valuation technique
Mutual fund investments	Net asset value quoted by mutual funds
Commodity futures	Basis the quotes given by the LME broker/dealer
Foreign exchange forward contracts	FEDAI rate adjusted for interpolated spreads based on residual maturity

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 46 Financial Instruments

The Group has exposure to the following risks arising from financial instruments:

- (A) Credit risk ;
- (B) Liquidity risk ; and
- (C) Market risk

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports to the board of directors on its activities.

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 Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(A) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument defaults meeting its contractual obligations. It arises principally from amounts receivables from customers and loans and advances. The Group's export receivables are covered under ECGC credit insurance policy. The Group also takes credit insurance for its domestic receivable's in Conductor & Cable division. The Groups receivable are also covered under letter of credit, trade insurance etc

The carrying amount of following financial assets represents the maximum credit exposure:

At March 31, the maximum exposure (age wise) to credit risk for trade and other receivables is as follows.

Trade receivables

Particulars	(₹ crore)	
	As at March 31, 2024	As at March 31, 2023
Neither past due nor impaired	2,941.35	2,517.54
past due less than 6 months	849.97	556.11
past due 6 months - 1 year	74.46	76.71
past due 1 - 2 years	85.65	31.22
past due 2 - 3 years	17.69	57.58
past due more than 3 years	60.95	32.58
Total trade receivable	4,030.07	3,271.73
Less: loss allowance	89.64	46.15
Trade receivable net of loss allowance	3,940.43	3,225.58

Loans & advances

At March 31, the maximum exposure (net of provision) to credit risk for short term loans and advances is as follows.

Particulars	(₹ crore)	
	As at March 31, 2024	As at March 31, 2023
Neither past due nor impaired	3.43	7.71
past due less than 6 months	-	-
past due 6 months - 1 year	-	-
past due 1 - 2 years	-	-
past due 2 - 3 years	-	-
past due more than 3 years	-	-
	3.43	7.71

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 46 Financial Instruments (Contd)

Management believes that the unimpaired amounts which are past due are fully collectible.

In accordance with Ind-AS 109, The Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on trade receivables and other advances.

The Group follows 'simplified approach' for recognition of impairment loss on these financial assets. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The entity has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a division wise provision matrix. The provision matrix takes into account historical credit loss experience, delay in receipt of payments and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows :

Provision matrix for credit loss;

Particulars	Conductor division	Oil division	Cable division
Not due	0.27%	0.39%	0.24%
Past due for less than 90 days	2.74%	1.90%	0.69%
Past due for more than 90 days less than 180 days	4.97%	9.82%	1.70%
Past due for more than 180 days less than 365 days	5.40%	13.64%	2.30%
Past due for more than 365 days	5.40%	13.64%	2.30%

Provision matrix for delay in receipts

Particulars	Conductor division	Oil division	Cable division
Past due for less than 90 days	4.31%	4.29%	9.56%
Past due for more than 90 days less than 180 days	29.81%	15.27%	22.68%
Past due for more than 180 days less than 365 days	85.19%	64.44%	70.21%
Past due for more than 365 days	96.77%	83.50%	93.04%

Expected credit loss is worked out on the trade receivables for which no specific provision is made.

The movement in the allowance for impairment in respect of trade receivable and short term loans and advances is as follows.

Movement in loss allowances for expected credit loss

(₹ crore)

Particulars	Trade and other receivables	Short term loans and advances
Balance as on April 01, 2022	37.37	-
Amounts provided	34.49	4.40
Amount written back / utilised	(25.79)	-
Foreign currency translation reserve	0.08	-
Balance as on March 31, 2023	46.15	4.40
Amounts provided	51.59	2.15
Amount written back / utilised	(8.15)	(2.80)
Foreign currency translation reserve	0.05	-
Balance as on March 31, 2024	89.64	3.75

Other non-current financial assets

Other non-current financial assets includes earnest money deposit, security deposits to customers. These advances and deposits were made in continuation of business related activities and are made after review as per Group's policy.

Cash and cash equivalents

The Group holds cash and cash equivalents of ₹5840.00 crores (previous year ₹498.81 crore). The cash and cash equivalents are held with the banks and financial institutions having good credit ratings.

Derivatives

Derivatives are entered with counterparties who have good credit ratings.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 46 Financial Instruments (Contd)

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring significant losses or risk of damaging Group's reputation.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments but exclude the impact of netting agreements.

(₹ crore)

As at March 31, 2024	Contractual cash flows					
	Carrying amount	Total	1 year or less	More than 1 year less than 2 years	More than 2 year less than 5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks (including current maturities)	401.16	419.14	67.62	105.73	189.30	56.49
Other short term borrowings	4.37	4.37	4.37	-	-	-
Trade payables	4,813.05	4,813.05	4,813.05	-	-	-
Other financial liabilities	118.56	118.56	109.59	8.98	-	-
Lease liabilities	70.08	73.45	9.74	8.59	16.99	38.12
Derivative financial liabilities						
Forward exchange contracts/ futures used for hedging/ natural hedging						
- Outflow	23.35	23.35	23.16	0.19	-	-

(₹ crore)

As at March 31, 2023	Contractual cash flows					
	Carrying amount	Total	1 year or less	More than 1 year less than 2 years	More than 2 year less than 5 years	More than 5 years
Non-derivative financial liabilities						
Term loans from banks (including current maturities)	209.89	217.10	50.71	57.51	108.89	-
Other short term borrowings	94.27	94.28	94.28	-	-	-
Trade payables	5,206.30	5,206.57	5,206.57	-	-	-
Other financial liabilities	89.38	77.07	73.21	3.86	-	-
Lease liabilities	72.07	72.07	8.37	8.59	16.99	38.12
Derivative financial liabilities						
Forward exchange contracts/ futures used for hedging/ natural hedging						
- Outflow	21.42	21.42	21.42	-	-	-

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Contractual outflow of other non current financial liabilities amounting to ₹5.17 crores (previous year ₹5.09 crores) has not been included above as the amount cannot be ascertained as on the reporting date.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 46 Financial Instruments (Contd)

(C) Market risk

"Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's profit or loss or the value of holdings of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs."

Commodity risk

The Group is affected by the price volatility of certain commodities viz. aluminum, copper and oil. Its operating activities require the ongoing purchase and manufacture of the conductors, cables and oil and thus requires continuous supply of these commodities. Due to the increase in volatility of the price of the commodities namely Aluminum and Copper, the Group has entered into forward contracts (for which there is an active market).

Currency risk

The Group is exposed to currency risk. The functional currency of the Group is Indian Rupee (₹). The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows.

(₹ crore)

Particulars	Currency	Trade Receivables	Cash and Cash Equivalent	Trade Payable	Net Exposure
As at March 31, 2024	USD	21.39	1.12	(31.02)	(8.51)
As at March 31, 2023		20.65	3.32	(18.06)	5.91
As at March 31, 2024	EUR	0.89	0.02	(0.05)	0.86
As at March 31, 2023		1.13	0.04	(0.03)	1.14
As at March 31, 2024	CAD	-	0.00	-	0.00
As at March 31, 2023		0.17	0.00	-	0.17
As at March 31, 2024	ETB	-	0.21	-	0.21
As at March 31, 2023		-	0.97	-	0.97
As at March 31, 2024	NPR	-	0.72	-	0.72
As at March 31, 2023		-	0.13	-	0.13
As at March 31, 2024	KES	-	0.04	-	0.04
As at March 31, 2023		-	0.04	-	0.04
As at March 31, 2024	EGP	-	0.01	-	0.01
As at March 31, 2023		-	0.01	-	0.01

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below.

Sensitivity analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 46 Financial Instruments (Contd)

(₹ crore)

Particulars	Change in a rate by	As at March 31, 2024			As at March 31, 2023		
		Average Exchange Rate	Year end spot Rate	Effect on Profit / Loss	Average Exchange Rate	Year end spot Rate	Effect on Profit / Loss
US Dollars (USD)	1%	82.79	83.41	(7.10)	78.98	82.17	4.86
Euro (EURO)	1%	89.66	89.88	0.77	86.83	89.44	1.02
Canadian Dollars (CAD)	1%	60.97	61.27	0.00	60.58	60.67	0.10
Ethiopian Birr (ETB)	1%	1.50	1.47	0.00	1.77	1.53	0.01
Nepalese Rupee (NPR)	1%	0.63	0.63	0.00	0.63	0.63	0.00
Kenyan Shilling (KES)	1%	0.63	0.63	0.00	0.64	0.62	0.00
Egyptian Pound (EGP)	1%	2.22	1.76	0.00	3.41	2.67	0.00
				(6.32)			3.37

Strengthening of foreign currency as against ₹ will reduce the net profit while weakening of foreign currency as against ₹ will increase net profit. Sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing instruments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Group's interest rate risk arises from floating interest bearing financial instruments. The Group's interest-bearing financial instruments are as follows.

(₹ crore)

Particulars	Nominal amount	
	As at March 31, 2024	As at March 31, 2023
Fixed rate financial instruments	1,219.00	1,722.48
Floating-rate financial instruments*	2,505.14	1,795.42
	3,724.14	3,517.90

*Floating rate instruments include letter of credit denominated in foreign currency.

Interest rate sensitivity for fixed rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through statement of profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for floating-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ crore)

Particulars	For Year ended March 31, 2024		For Year ended March 31, 2023	
	Increase in 100 basis points	Decrease in 100 basis points	Increase in 100 basis points	Decrease in 100 basis points
Floating-rate instruments	(25.05)	25.05	(17.95)	17.95

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 47 Hedge Accounting

The objective of hedge accounting is to represent, in the Group's financial statements, the effect of the Group's use of financial instruments to manage exposures arising from particular risks that could affect profit or loss.

Currency risk -

The Group's risk management policy is to hedge its estimated foreign currency exposure in respect of highly forecasted sales. The Group uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as fair value hedges. Group's policy is to match the critical terms of the forward exchange contracts with that of the hedged item.

Commodity risk -

The Group's risk management policy is to mitigate the impact of fluctuations in the aluminium/copper/zinc prices on highly forecast purchase transactions. The Group uses futures contract to hedge its commodity risk. Such contracts are generally designated as cash flow hedges.

Interest rate risk -

The Group's risk management policy is to mitigate its interest rate risk exposure on floating rate borrowings by entering into fixed-rate instruments like interest rate swaps to eliminate the variability of cash flows attributable to movements in interest rates. Such hedges are designated as cash flow hedges.

For derivative contracts designated as hedge, the Group documents at inception the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. The hedging book consists of transactions to hedge Balance Sheet assets or liabilities. The tenor of hedging instrument may be less than or equal to the tenor of underlying hedged asset or liability.

Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Group assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship.

On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge. Hedge effectiveness is assessed through the application of critical terms match method/Dollar offset method. Any ineffectiveness in a hedging relationship is accounted for in the consolidated statement of profit and loss.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 47 Hedge Accounting (Contd)

Sr No	Type of risk / hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
1	Interest rate hedge	Floating rate financial asset or liability	Floating rate financial asset or liability is converted into a fixed rate financial asset or liability using a floating to fixed interest rate swap. This is usually denominated in the currency of the underlying (which in most cases is the functional currency), if not, it may be combined currency swap.	Interest rate swap	Interest rate swap is a derivative instrument whereby the Group receives or pays (in case of asset or a liability respectively) at a floating rate in return for a fixed rate asset or liability.	Cash flow hedge
2	Future contract	Highly probable purchase transaction	Mitigate the impact of fluctuations in aluminium, copper & zinc prices, on projected purchase contracts for metal	Futures contract	<p>Group enters into a forward derivative contract to purchase a commodity at a fixed price and at a future date.</p> <p>These are customized contracts transacted in the over-the-counter market.</p> <p>Forward contracts are contractual agreements to buy or sell a specified financial instrument at a specific price and date in the future. These are customized contracts transacted in the over-the-counter market.</p>	Cash flow hedge
3	Forward contract	Foreign currency risk of highly probable forecast transactions	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	<p>Group enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts.</p> <p>These are customized contracts transacted in the over-the-counter market.</p>	Cash flow hedge
4	Forecasted Export Sales	Forecasted Export Sales	Mitigate the impact of fluctuations in foreign exchange rates	Foreign currency denominated import purchases	Group uses its forecasted foreign currency denominated import purchases to mitigate the risk of foreign currency movement in collection of forecasted export sales	Cash flow hedge

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 47 Hedge Accounting (Contd)

The Group, inter alia, takes into account the following criteria for constructing a hedge structure as part of its hedging strategy:

- The hedge is undertaken to reduce the variability in the profit & loss i.e the profit or loss arising from the hedge structure should be lesser than the profit & loss on the standalone underlying exposure. In case of cash flow hedge for covering interest rate risk the hedge shall be only undertaken to convert floating cash flows to fixed cash flows i.e. the underlying has to be a floating rate asset or liability.
- At any point in time the outstanding notional value of the derivative deal(s) undertaken for the purpose of hedging shall not exceed the underlying portfolio notional. The hedge ratio therefore does not exceed 100% at the time of establishing the hedging relationship.
- At any point in time the maturity of each underlying forming a part of the cluster/portfolio hedged shall be higher than the maturity of the derivative hedging instrument.

The tables below provide details of the derivatives that have been designated as hedges for the periods presented:

As at 31 March 2024

	Notional principal amounts (Net)	Derivative financial instruments - assets	Derivative financial instruments - liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	954.96	0.30	0.02	(0.17)	(3.47)	NA	NA	3.30	COGS	(3.47)	NA
Commodity contracts	68.99	18.23	22.85	61.73	(23.13)	NA	NA	84.86	COGS	(23.13)	NA
Foreign currency denominated purchases	110.18	-	0.12	(0.02)	(0.02)	NA	NA	-	Sales	(0.02)	NA

As at 31 March 2023

	Notional principal amounts (Net)	Derivative financial instruments - assets	Derivative financial instruments - liabilities	Change in fair value for the year	Change in fair value for the year recognized in OCI	Ineffectiveness recognized in profit or loss	Line item in profit or loss that includes hedge ineffectiveness	Amount reclassified from the hedge reserve to profit or loss	Line item in profit or loss affected by the reclassification	Balance in cash flow hedge reserve*	Balance in cash flow hedge reserve**
Foreign exchange forward contracts	829.32	0.56	1.44	1.28	2.96	NA	NA	(1.68)	COGS	2.96	NA
Commodity contracts	678.57	33.92	15.41	(141.02)	(97.53)	NA	NA	(43.49)	COGS	(97.53)	NA
Foreign currency denominated purchases	110.18	-	0.12	0.03	0.03	NA	NA	-	Sales	0.03	NA

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 47 Hedge Accounting (Contd)

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting:

(₹ crore)

Particulars	For Year ended March 31, 2024			For Year ended March 31, 2023		
	Effective portion of cash flow hedge	Deferred Tax	Net	Effective portion of cash flow hedge	Deferred Tax	Net
Opening balance	19.50	(4.91)	14.58	114.04	(28.70)	85.34
Effective portion of changes in fair value:						
a) Interest rate risk	-	-	-	-	-	-
b) Commodity price risk	61.72	(15.70)	46.02	(141.02)	35.49	(105.53)
c) Foreign currency risk	(0.17)	0.04	(0.13)	1.28	(0.32)	0.96
d) Forecasted Export Sales	(0.02)	0.01	(0.01)	0.03	(0.01)	0.02
Net amount reclassified to profit or loss:						
a) Interest rate risk	-	-	-	-	-	-
b) Commodity price risk	(84.86)	21.36	(63.50)	43.49	(10.95)	32.54
c) Foreign currency risk	(3.30)	0.83	(2.47)	1.68	(0.42)	1.26
d) Forecasted Export Sales	-	-	-	-	-	-
Net charge / credit for the year	(26.63)	6.53	(20.11)	(94.54)	23.79	(70.75)
Closing balance	(7.13)	1.62	(5.53)	19.50	(4.91)	14.58

Note 48 Capital Management

The primary objective of the Groups's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using Adjusted net debt / (cash) to adjusted equity ratio. For this purpose, adjusted net debt / (cash) is defined as borrowings less cash and cash equivalent where borrowings include long term borrowing and short term borrowing. Adjusted equity is defined as total equity less hedging reserve; where total equity includes equity share capital and other equity.

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings	405.54	304.16
Less : cash and cash equivalent	(584.00)	(498.81)
Adjusted net (cash) / debt	(178.46)	(194.65)
Total equity	3,876.44	2,236.39
Less : hedging reserve	(5.53)	14.58
Adjusted equity	3,881.97	2,221.81
Adjusted net (cash) / debt to adjusted equity ratio	(4.60%)	(8.76%)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 49 Segment Reporting

A. General information

(a) Factors used to identify the entity's reportable segments, including the basis of organisation -

The operations of the Group are segmented into primary segment (business segment) & secondary segment (geographical segment).

(b) Following are reportable segments

- Conductor
- Transformer & Specialities Oils
- Power/Telecom Cables
- Others

(c) Identification of segments:

The Chief Operating Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss before finance cost and tax expenses and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products/services.

(d) Segment revenue and results:

The expenses and incomes which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocated income).

(e) Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and consists of all assets except deferred tax asset. Segment includes all liabilities except for borrowings and deferred tax liabilities. Assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets / liabilities.

B. Information about reportable segments

For the year ended March 31, 2024

(₹ crore)

Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total reportable segments	Others	Elimination	Total
External revenues (Gross)	7,578.22	4,763.81	3,688.36	16,030.39	122.59		16,152.98
Intersegment revenue	452.76	73.12	170.52	696.40	0.69	(697.09)	-
Segment revenue	8,030.98	4,836.93	3,858.88	16,726.79	123.28	(697.09)	16,152.98
Segment profit / (loss) before finance cost & tax expenses	857.53	291.78	405.06	1,554.37	12.00		1,566.37
Less: Finance cost							(386.58)
Less: Other unallocated expenditure net of unallocable income							(73.33)
Add / (Less): Share in net profit / (loss) of associate							(0.61)
Profit before tax							1,105.85
Tax expenses							280.74
Profit after tax							825.11
Capital employed							
Segment assets	4,699.80	2,590.18	2,409.31	9,699.29	58.39	(249.80)	9,507.88
Unallocable corporate assets				-			107.88
Total asset	4,699.80	2,590.18	2,409.31	9,699.29	58.39	(249.80)	9,615.76

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 49 Segment Reporting (Contd)

(₹ crore)

Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total reportable segments	Others	Elimination	Total
Segment liabilities	2,678.50	1,645.49	1,090.53	5,414.53	18.90	(249.80)	5,183.63
Unallocable corporate liabilities							149.31
Total liabilities	2,678.50	1,645.49	1,090.53	5,414.53	18.90	(249.80)	5,332.93
Capital expenditure	3.69	143.20	167.60	314.49	14.73	-	329.22
Unallocable capital expenditure							1.45
Depreciation and amortisation expense	24.78	43.33	40.59	108.71	1.14	-	109.85
Unallocable depreciation and amortisation expense				-			5.86

For the year ended March 31, 2023

(₹ crore)

Particulars	Conductor	Transformer & Specialities Oils	Power/ Telecom Cables	Total reportable segments	Others	Elimination	Total
External revenues (Gross)	6,425.84	4,597.90	3,205.65	14,229.39	106.91		14,336.30
Intersegment revenue	587.21	42.94	57.80	687.95	0.36	(688.31)	-
Segment revenue	7,013.05	4,640.84	3,263.45	14,917.34	107.27	(688.31)	14,336.30
Segment profit (loss) before tax & finance cost	682.49	225.08	316.81	1,224.38	6.78		1,231.16
Less : Finance cost							(305.50)
Less : Other unallocated expenditure net of unallocable income							(71.08)
Add / (Less): Share in net profit / (loss) of associate		0.12					(0.02)
Profit before tax							854.56
Tax expenses							216.84
Profit after tax							637.72
Capital employed							
Segment assets	4,011.43	2,376.39	1,988.18	8,376.00	48.44	(346.55)	8,077.89
Unallocable corporate assets				-			139.76
Total segment asset	4,011.43	2,376.39	1,988.18	8,376.00	48.44	(346.55)	8,217.65
Segment liabilities	2,953.22	1,577.63	1,377.22	5,908.07	14.89	(346.55)	5,576.41
Unallocable corporate liabilities				-			79.00
Total segment liabilities	2,953.22	1,577.63	1,377.22	5,908.07	14.89	(346.55)	5,655.41
Capital expenditure	89.74	22.68	129.24	241.66	3.98	-	245.63
Unallocable capital expenditure							2.19
Depreciation and amortisation expense	24.69	38.18	34.19	97.05	1.03		98.08
Unallocable depreciation and amortisation expense				-			6.26

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 49 Segment Reporting (Contd)

C. Information about geographical areas

Revenue from external customers

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Within India*	8,876.70	7,402.23
Outside India	7,276.29	6,934.07
Total	16,152.98	14,336.30

* include deemed exports ₹14.25 crore (previous year ₹77.52 crore)

Revenue from external customers outside India currency wise

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
USD (US Dollar)	6,951.40	6,601.26
EUR (EURO)	280.87	246.20
GBP (British Pound)	0.22	-
CAD (Canadian Dollar)	5.40	50.57
INR	38.40	36.04
Total	7,276.29	6,934.07

Segment Assets

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Within India	9,027.45	7,644.47
Outside India	588.31	573.18
Total	9,615.76	8,217.65

Segment assets outside India currency wise

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
USD (US Dollar)	588.31	573.18
Total	588.31	573.18

(c) Information about major customers

Revenue contributed by any single customer in any of the operating segments, whether reportable or otherwise, does not exceed ten percent of the Group's total revenue.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 50 Related party transactions

The Group's related party transactions and outstanding balances are with related parties with whom the Group routinely enter into transactions in the ordinary course of business. All the transactions with related parties are on arm's length basis.

A. List of related parties with whom the Group had transaction or balances during the year are as follows:

a) Associate Company:

- 1) Ampoil Apar Lubricants Private Limited
- 2) Clean Max Rudra Private Limited

b) Key Managerial Personnel:

- 1) Mr. K. N. Desai - Chairman & Managing Director & CEO
- 2) Mr. C. N. Desai - Managing Director
- 3) Mr. Rishabh Kushal Desai - Non Executive and Non Independent Director
- 4) Mr. Ramesh Iyer- Chief Financial Officer
- 5) Mr. Sanjaya Kunder- Company Secretary

c) Independent Directors

- 1) Mrs. Nina Kapasi
- 2) Mr. F. B. Virani (upto November 03, 2022)
- 3) Mr. Rajesh Sehgal
- 4) Mr. Kaushal Sampat
- 5) Mrs. Nirupa Bhatt (w.e.f. 26 October 2023)

d) Relatives of Key Managerial Personnel

- 1) Ms. Maithili N. Desai
- 2) Mrs. Noopur K. Desai
- 3) Mrs. Harshana R. Desai
- 4) Ms. Gaurangi K. Desai
- 5) Mrs. Jinisha C. Desai
- 6) Mr. Devharsh C. Desai
- 7) Ms. Nitika C. Desai

e) Entities controlled by key management personnel/ individuals having significant influence:

- 1) Apar Corporation Private Limited
- 2) Apar Investment (Singapore) Pte. Ltd
- 3) Apar Investment Inc.
- 4) Apar Technologies Private Limited
- 5) Apar Technologies Pte. Ltd. (upto 25 June 2023)
- 6) Chaitanya N. Desai Family Private Trust
- 7) Maithili N. Desai Family Private Trust
- 8) Maithili N. Desai Family Private Trust No. 2
- 9) Maithili Trusteeship Services Private Limited
- 10) Kushal N. Desai Family Private Trust
- 11) Narendra D. Desai Family Private Trust
- 12) Hari Haribol Dairy Products Private Limited
- 13) Cutting Chai Technologies Private Limited (upto November 03, 2022)
- 14) DDMM Heart Institute (GMCC Care & Research Society)
- 15) Dharmsinh Desai Foundation
- 16) Dharmsinh Desai University
- 17) Sri Nityanand Education Trust
- 18) Rubix Data Sciences Private Limited (w.e.f May 22, 2022)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 50 Related party transactions (Contd)

B. Related party transactions in ordinary course of business

(ii) Associate Company:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Purchase of electricity	2.19	-
2	Investment made	3.79	3.80

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Investments (refer note below)	2.19	0.00
2	Receivable from associate company for supply of raw material & finished goods	0.02	0.02

Note :

Closing balance of investment does not include share in net profit / loss of associate.

(iii) Key Managerial Personnel :

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Remuneration	33.01	23.11
2	Dividends paid (payment basis)	66.15	27.83
3	Sitting fees	0.28	0.16

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Commission payable	23.23	16.76
2	Remuneration payable	5.14	-

(iv) Relatives of Key Managerial Personnel:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Dividends paid (payment basis)	0.49	0.21
2	Salary paid	0.21	0.25

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 50 Related party transactions (Contd)

(v) Entities controlled by key management personnel/individuals having significant influence:

Transactions for the year

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Rent paid	1.79	1.79
2	Dividends paid (payment basis)	16.89	6.77
3	Sale of finished goods/ raw materials / traded goods	6.02	0.93
4	Purchase of materials	0.35	-
5	Purchase of property, plant & equipment	0.02	-
6	Purchase of services	0.28	0.02
7	Interest on loan	0.12	0.28
8	Corporate social responsibility expenses	6.28	3.40

Balances outstanding as at year end

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Receivable for supply of finished goods / services / reimbursements	1.87	0.92
2	Payable for supply of finished goods / services / reimbursements	0.32	-
3	Security deposit given	0.76	0.76
4	Commitments	5.48	6.01
5	Other receivable	0.01	0.91
6	Advance	0.01	0.05
7	Loan taken	0.02	-

C. Compensation of key management personnel of the Group

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
1	Short-term employment benefits	32.04	22.73
2	Post employment benefits	0.75	0.20
3	Other long term employee benefits	0.22	0.18
		33.01	23.11

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 51 Contingent Liabilities

A) Contingent liabilities not provided for:

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
a)	Claims against the Group not acknowledged as debts -		
	i) Demand/Show cause-cum-demand notices received and contested by the Group with the relevant appellate authorities:		
	Excise duty	3.74	8.26
	GST	1.18	-
	Customs duty	2.08	2.08
	Sales tax	7.31	12.06
	Income tax	35.50	20.28
	ii) Arbitration award regarding dispute of alleged contractual non-performance by the Group, against which the Group is in appeal before Bombay High Court.	14.29	13.84
	iii) Labour matters	0.05	0.05
	iv) Others	7.33	7.33
b)	Corporate guarantees		
	i) Letter of gurantee given by the Group	719.37	811.43

B) Capital commitments

(₹ crore)

Sr No.	Particulars	As at March 31, 2024	As at March 31, 2023
1	Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	98.07	139.78

Notes:

- It is not practicable for the Group to estimate the timing of the cash outflows, if any, in respect of the matters in note a (i) to a (iv) of claims against the Group not acknowledged as debts mentioned in A - contingent liabilities, pending resolution of the arbitration/appallate proceedings. The liability mentioned as aforesaid includes interest except in cases where the Group has determined that the possibility of such levy is very remote.
- The cash outflows in respect of corporate guarantees mentioned in note b of A - contingent liabilities, could generally occur upto the period over which the validity of such guarantees extends or it could occur any time during the subsistence of the borrowing to which the guarantees relate.
- The Group does not expect any reimbursements in respect of the above contingent liabilities.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 52 Expenditure on Research and Development

(A) R & D Center-OIL (Rabale - DSIR Recognised)

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
(a)	Salary, wages and other benefits	2.46	2.27
	Consumables and other expenses	0.42	0.13
	Sub-total	2.88	2.40
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	0.10	-
	Sub-total	0.10	-
	Total	2.98	2.40

(B) R & D Center-Conductor (Silvassa)

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
(a)	Salary, wages and other benefits	1.65	0.00
	Consumables and other expenses	7.51	7.25
	Sub-total	9.16	7.25
(b)	Capital expenditure		
	Building	0.57	-
	Plant and machinery	2.80	0.36
	Sub-total	3.37	0.36
	Total	12.53	7.61

(C) R & D Center-Cable (Khatalwad)

(₹ crore)

Sr No.	Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
(a)	Salary, wages and other benefits	0.29	0.26
	Consumables and other expenses	3.64	2.78
	Sub-total	3.93	3.04
(b)	Capital expenditure		
	Building	-	-
	Plant and machinery	0.03	-
	Sub-total	0.03	-
	Total	3.96	3.04

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 53 Disclosure related to revenue from Contract with customer

i Revenue from contracts with customers

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Revenue recognised at point in time	16,084.96	14,266.52
Revenue recognised over time	24.95	44.57
Total revenue from contracts with customers	16,109.91	14,311.09
Other operating revenue	43.07	25.21
Total revenue from operation	16,152.98	14,336.30

ii Disaggregated revenue

The chief operating decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products/services.

The Group uses the same operating segment information for reporting purposes in all its communication to various stakeholders i.e. annual report, investor presentations.

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Within India*	8,876.70	7,402.23
Outside India	7,276.29	6,934.07
Total	16,152.98	14,336.30

* include deemed exports ₹14.25 crore (previous year ₹77.52 crore)

iii Sales by performance obligation

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Upon shipment	16,084.96	14,266.52
Upon providing of services	24.95	44.57
Total	16,109.91	14,311.09

iv Contract balances

(₹ crore)

Particulars	As at March 31, 2024	As at March 31, 2023
A) Contract Assets		
Balance as at the beginning of the year	37.26	8.77
Add: addition during the year	47.58	31.16
	84.84	39.93
Less: transferred to receivable	(36.45)	(2.67)
Balance as at the end of the year	48.39	37.26
B) Contract liabilities		
Advances from customers		
Balance as at the beginning of the year	176.20	216.93
Add: addition during the year	704.43	462.47
	880.63	679.40
Less: revenue recognised during the year	(714.77)	(503.20)
Balance as at the end of the year	165.86	176.20

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 53 Disclosure related to revenue from Contract with customer (Contd)

v. Remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less. Hence, the Group has applied practical expedient as per para 121 of the Ind AS 115 in regards to remaining performance obligations.

Note 54 Leases disclosure

Amount recognised in the balance sheet

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Right of use assets		
Addition during the year	7.31	8.41
Deletion during the year	(2.63)	-
Amortisation for the year	10.63	8.95
Carrying value at the end of the year	61.86	64.95
Break-up of lease liability in the balance sheet		
Non-current	60.33	63.70
Current	9.74	8.37

Maturity analysis of lease liabilities

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Less than 1 year	9.74	8.37
1 - 2 years	8.59	8.59
3 - 5 years	16.99	16.99
More than 5 years	38.12	38.12
Total undiscounted lease liabilities at the year end	73.44	72.07

Amount recognised into the consolidated statement of profit and loss

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Amortisation of right of use assets	10.63	8.95
Unwinding of discount on lease liabilities	3.00	2.80
Expenses relating to short term leases & low value leases	11.24	11.67
Total	24.87	23.42

Amount recognised into the consolidated statement of cash flows

(₹ crore)

Particulars	For Year ended March 31, 2024	For Year ended March 31, 2023
Total cash outflows of lease payments (including short term leases & low value assets leases of ₹11.24 crores (previous year: ₹11.67 crores))	23.96	21.70

Notes to the Consolidated Financial Statements

for the year ended March 31, 2024

Note 55 Issue of Equity Shares

On November 30, 2023 the share issuance committee of the board of directors of the Group has approved an allotment of 18,99,696 equity shares having face value of ₹10 per share at a premium of ₹5,254 per share aggregating to ₹1,000.00 crores to eligible Qualified Institutional Buyers. Pursuant to said allotment, equity share capital of the Group has increased by ₹1.90 crores and securities premium has increased by ₹998.10 crores.

Following are the details of utilisation of total proceeds of ₹1,000.00 crores

Particulars	Amount
Gross proceeds of the issue	1,000.00
Less: share issue expenses charged to securities premium account as per Section 52 of the Companies Act	17.42
Net proceeds of the issue	982.58
Utilisation as per placement document:	
- towards working capital requirement	982.58

Note 56 Additional Disclosures

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the period.
- (v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or,
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or,
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Group has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii) The Group is not declared as wilful defaulter by any bank or financial Institution or other lender.
- ix) During the year Group has not entered into any scheme of arrangement.

As per our report of even date attached

C N K & Associates LLP

Chartered Accountants

Firm's registration No : 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No 037391

Mumbai, May 14, 2024

For and on behalf of the Board of Directors

Kushal N Desai

Chairman & Managing Director &

Chief Executive Officer

DIN : 00008084

Mumbai, May 14, 2024

Nina Kapasi

Independent Director

DIN : 02856816

Ramesh Iyer

Chief Financial Officer

Sanjaya R. Kunder

Company Secretary

Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements — written and oral — that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.



APAR

Tomorrow's solutions today

Corporate Office

MUMBAI, MAHARASHTRA

APAR House, Bldg. no 4 & 5, Corporate Park,
V.N. Purav Marg, Chembur,
Mumbai- 400 071. Maharashtra, India

Phone: 022 - 25263400/67800400

FAX: 022 - 25246326

Website: www.apar.com

Registered Office

VADODARA, GUJARAT

301, Panorama Complex, R.C.Dutt Road,
Vadodara-390007. Gujarat, India

Phone: (0265) 6178700/709, 2339906

CIN: L91110GJ1989PLC012802

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