

MLR AUTO LIMITED

Financial Statements as at
31st March 2022

G L N PRASAD & CO LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MLR AUTO LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **MLR AUTO LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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, 2022 and its loss, 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 financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial statements

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

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



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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 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 Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any 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 Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

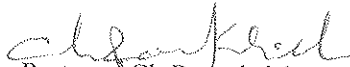
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded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

(c) Based on the audit procedures that have been 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), as provided under and (b) above, contain any material misstatement.
 - v. In our opinion and to the best of our information and according to the explanations given to us the company has not declared and paid any dividend to its shareholders during the year report in accordance with the requirements of section 123 of the Act, is not applicable to the company.



2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For GLN PRASAD & CO LLP
Chartered Accountants
(Firm's Registration No. 015176S/S200067)


Partner : Ch. Ramakrishna
(Membership No. 226417)
UDIN:



22226417 ARS2603164

Place: Hyderabad
Date: 04-May-2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MLR AUTO Limited of even date)

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

We have audited the internal financial controls over financial reporting of **MLR AUTO LIMITED** (the "Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being



made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

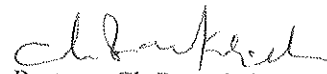
Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

For GLN PRASAD & CO LLP

Chartered Accountants

(Firm's Registration No. 015176S/S200067)



Partner :Ch.Ramakrishna
(Membership No.226417)

UDIN:



22226417 AKS2CU3164

Place: Hyderabad

Date: 04-May-2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MLR Auto Limited 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:

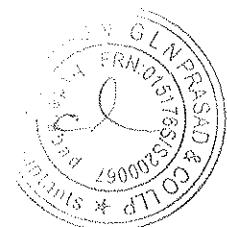
- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (a) The Company has a program of physical verification of Property, Plant and Equipment to cover all the assets once in a year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (b) Based on our examination of the property tax receipts, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (c) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (d) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such verification between the physical stocks and book records.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii.
 - (a) During the year, the Company has not granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - (b) In view of our comments in para (a) above, Clause (III) (a), (b) and (c) of paragraph 3 of the aforesaid order are not applicable to the Company.



- iv. In our opinion and according to the information and explanation given to us, the Company has not advanced any loan to any Director and no investments were made during the year as referred to in sections 185 and 186 of the Act. Therefore, the provisions of Paragraph 3(iv) of the Companies (Auditor's Report) Order 2020 are not applicable to the Company.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- Vii (a) According to the information and explanations given to us, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and services tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable.
- (b) According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or value added tax have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or bank.
- (b) According to the information and explanations given by the management The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given by the management the Company has obtained term loan during the year and the same was utilized for the purpose of which the loan was taken.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company doesn't have any investments in subsidiaries, associates, joint ventures during the year hence reporting on clause 3(ix)(e) of the Order is not applicable.



- (f) The Company doesn't have any investments in subsidiaries, associates, joint ventures during the year hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given by the management and based upon the audit procedures performed during the year, the company raised money by issuing shares under private placement as per section 42 and section 62 of the Companies Act, 2013 have been complied and the funds raised have been used for the purposes for which the funds were raised.
- xi. (a) According to the information and explanations given by the management and based upon the audit procedures performed No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given by the management and based upon the audit procedures performed provisions of Section 177(9) of the Companies Act 2013 is not applicable, hence reporting under clause (xi) (c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the 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 the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given by the management, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b), (c) and (d) of the Order is not applicable.




- xvii. In our opinion and according to the information and explanations given by the management, during the year the Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial years. Details are given below:

Particulars	FY: 2021-22	FY: 2020-21
Cash Losses Incurred during the year	(14,41,13,112)	(35,53,00,134)

- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 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. In our opinion and according to the information and explanations given by the management, the provisions of Section 135 of the Companies Act 2013 towards Corporate Social Responsibility (CSR) are not applicable. Accordingly, reporting under clause 3(xx) (a) and (b) of the Order is not applicable for the year.
- xxi. On an overall examination of the financial statements of the Company, the Company doesn't have any investments in subsidiaries, associates, joint ventures during the year hence reporting on clause 3(xxi) of the Order is not applicable.

For GLN PRASAD & CO LLP
Chartered Accountants
(Firm's Registration No. 015176S/S200067)


Partner :Ch.Ramakrishna
(Membership No.)
UDIN:



Place: Hyderabad
Date: 04-May-2022

22226417 AKS 2CG 3164

MLR AUTO LIMITED
Balance Sheet as at 31st March 2022

(Rupees)

	Note No.	As at 31st March 2022	As at 31st March 2021	As at 1st April 2020
ASSETS				
1 Non-current assets				
(a) Property, plant and equipment	4	12,84,48,040	14,34,35,875	20,99,62,057
(b) Capital work - in - progress	4A	63,31,557	-	4,75,69,690
(c) Intangible assets	4B	3,33,885	2,48,082	4,43,614
(d) Intangible assets under development		-	-	18,42,21,853
(e) Financial assets				
(i) Investments	5	12,500	12,500	12,500
(ii) Other financial assets	6A	20,18,028	20,21,824	61,52,916
(f) Income tax assets (Net)	7	5,27,544	9,99,242	15,52,620
(g) Other non - current assets	8A	4,54,81,623	2,40,30,478	85,79,701
Total non-current assets		18,31,53,177	17,07,48,001	45,84,94,951
2 Current assets				
(a) Inventories	9	5,67,29,528	3,38,39,100	2,36,08,494
(b) Financial assets				
(i) Trade receivables	10	47,52,679	81,83,125	2,54,26,148
(ii) Cash and cash equivalents	11	49,88,736	27,390	24,392
(iii) Other financial assets	6B	7,50,518	12,20,144	15,55,343
(c) Other current assets	8B	1,89,13,591	1,07,81,576	3,09,84,130
Total current assets		8,61,35,052	5,40,51,335	8,15,98,507
Total Assets		26,92,88,229	22,47,99,336	54,00,93,458
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	12	72,35,39,330	53,54,19,100	53,54,19,100
(b) Other equity	13	(1,12,03,17,007)	(95,76,14,094)	(58,27,78,519)
Total Equity		(39,67,77,677)	(42,21,94,994)	(4,73,59,419)
LIABILITIES				
1 Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	14A	49,16,73,951	3,32,37,610	5,73,02,437
(ii) Other financial liabilities	15A	8,11,42,545	1,57,94,744	1,33,98,654
(b) Provisions	16A	19,86,140	17,68,962	19,45,384
(c) Other non - current liabilities	17A	4,36,487	3,87,900	28,32,725
Total non-current liabilities		57,52,39,123	5,11,89,216	7,54,79,200
2 Current liabilities				
(a) Financial liabilities				
(i) Borrowings	14B	-	49,72,59,442	44,52,61,050
(ii) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	18	2,42,652	38,75,680	-
- Total outstanding dues of creditor's other than micro enterprises and small enterprises		2,53,50,738	2,88,00,840	1,42,67,569
(iii) Other financial liabilities	15B	4,47,89,031	4,37,64,693	3,95,83,270
(b) Provisions	16B	31,81,123	6,87,595	-
(c) Other current liabilities	17B	1,72,63,239	2,14,16,864	1,28,61,788
Total current liabilities		9,08,26,783	59,58,05,114	51,19,73,677
Total Equity and Liabilities		26,92,88,229	22,47,99,336	54,00,93,458

Notes forming part of the financial statements

1-37

As per our report of even date attached
 For G L N Prasad & Co. LLP
 Chartered Accountants
 Firm's registration number : 015176S/S200067

Ch.Ramakrishna
 Partner
 Membership No: 226417

Jatindra Dighe
 Chief Financial Officer



Divya Shetty
 Company Secretary

For and on behalf of the Board

YVS Vijay Kumar
 Director
 DIN: 03588223

Sundeep Chhabra
 Director
 DIN: 00240362

 Hyderabad, Dated : 4th May 2022

UDIN - 22226417 AKS2C63164

MLR AUTO LIMITED

Statement of Profit and Loss for the year ended 31st March 2022

(Rupees)

	Note	Year ended 31st March 2022	Year ended 31st March 2021
I Revenue from operations	19	7,92,58,690	8,41,60,244
II Other income	20	1,03,74,735	69,71,243
III Total income (I + II)		8,96,33,425	9,11,31,487
IV Expenses			
Cost of materials consumed	21	7,74,98,189	8,15,76,797
Changes in inventories of finished goods, stock-in-trade and work-in progress	22	(77,82,961)	(48,27,059)
Employee benefits expense	23	3,81,52,005	3,17,49,892
Finance costs	24	4,81,66,908	3,72,99,967
Depreciation and amortisation expense	25	1,66,55,400	1,95,35,441
Other expenses	26	6,03,53,571	6,86,38,480
Total expenses		23,30,43,112	23,39,73,518
V Profit before exceptional items and tax		(14,34,09,687)	(14,28,42,031)
VI Exceptional items : (Income) /Expense -Net	27	1,73,58,825	23,20,41,543
VII Profit before tax		(16,07,68,512)	(37,48,83,574)
VIII Tax expense			
Current tax		-	-
Deferred tax (credit) / charge		-	-
Total tax expenses		-	-
IX Profit for the year (VII - VIII)		(16,07,68,512)	(37,48,83,574)
X Loss from discontinued operations		-	-
XI Tax on discontinued operations		-	-
XII Loss from discontinued operations after tax (X-XI)		-	-
X Profit for the year (IX + XII)		(16,07,68,512)	(37,48,83,574)
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans : (Gain)/Loss		94,394	(47,999)
Other comprehensive income for the year		94,394	(47,999)
XI Total Comprehensive income for the year (IX + X)		(16,08,62,906)	(37,48,35,575)
XII Earnings per equity share of Rs. 10 each :			
Basic	28	(2.60)	(7.00)
Diluted		(2.60)	(7.00)

Notes forming part of the financial statements

1-37

As per our report of even date attached

For G L N Prasad & Co. LLP

Chartered Accountants

Firm's registration number : 015176S/S200067



For and on behalf of the Board

YVS Vijay Kumar

YVS Vijay Kumar

Director

DIN: 03588223



Ch. Ramakrishna
Ch. Ramakrishna
Partner
Membership No: 226417

Jatindra Dighe
Jatindra Dighe
Chief Financial Officer

Divya Shetty
Divya Shetty
Company Secretary

Sundeep Chhabra
Sundeep Chhabra
Director
DIN: 00240362

Hyderabad, Dated : 4th May 2022

UDJNL 22226417 AKS ZC 03164

MLR AUTO LIMITED**Statement of cash flows for the year ended 31st March 2022**

(Rupees)

	Year ended 31st March 2022	Year ended 31st March 2021
Cash flows from operating activities		
Profit for the year (after tax)	(16,07,68,512)	(37,48,83,574)
Adjustments for:		
Finance costs	4,81,66,908	3,72,99,967
Interest income	(2,42,245)	(77,377)
Dividend income	(1,875)	-
Depreciation and amortisation expenses	1,66,55,400	1,95,35,441
Profit/Loss on sale of property, plant & equipment (Net)	-	(16,18,257)
Asset under development written off	-	23,20,41,543
Provision for Slow-moving inventory (exceptional item)	1,73,58,825	-
Provision for Bad and doubtful debts (exceptional item)	(53,672)	84,77,951
Re-measurement of Actuarial gain or loss	(94,394)	47,999
Operating profit before working capital changes	(7,89,79,565)	(7,91,76,307)
<i>Adjustment for movements in working capital:</i>		
Trade receivables	34,84,118	87,65,072
Inventories	(4,02,49,253)	(1,02,30,606)
Other assets	(2,90,64,789)	98,29,182
Trade payables	(70,83,130)	1,84,08,951
Provisions & Other liabilities	6,02,77,953	61,14,528
Cash generated from operations	(9,16,14,666)	(4,62,89,179)
Less: Income taxes paid	-	-
Net cash generated from operating activities (A)	(9,16,14,666)	(4,62,89,179)
Cash flows from investing activities		
Purchase of PPE and capital work-in-progress	(78,76,326)	(28,86,472)
Purchase of intangible assets and Intangible assets under development	(2,08,600)	-
Proceeds from disposal of property, plant and equipment	-	5,14,41,001
Dividend received	1,875	-
Interest received	6,68,995	19,640
Net cash generated (used in) / from investing activities (B)	(74,14,056)	4,85,74,169
Cash flows from financing activities		
Share Capital issued	18,81,20,230	-
Borrowings received	11,94,01,406	5,19,98,392
Borrowings repaid	(15,82,24,507)	(2,40,64,826)
Share subscription charges paid	(18,40,007)	-
Interest paid	(4,34,67,054)	(3,02,15,558)
Net cash used in financing activities (C)	10,39,90,068	(22,81,992)
Net increase in cash and cash equivalents (A+B+C)	49,61,346	2,998
Cash and cash equivalents at the beginning of the year	27,390	24,392
Cash and cash equivalents at the end of the year (Refer note: 11)	49,88,736	27,390

As per our report of even date attached
For G L N Prasad & Co. LLP
Chartered Accountants
Firm's registration number : 015176S/S200067



For and on behalf of the Board


YVS Vijay Kumar
Director
DIN: 03588223


Sundeep Chhabra
Director
DIN: 00240362


Ch. Ramakrishna
Partner
Membership No: 226417




Jatindra Dighe
Chief Financial Officer


Divya Shetty
Company Secretary

Hyderabad, Dated : 4th May 2022

UDIN: 222264/7 ARSZC 03164

MLR AUTO LIMITED
Statement of changes in equity for the year ended 31st March 2022
A Equity share capital

(Rupees)

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
53,54,19,100	-	53,54,19,100	18,81,20,230	72,35,39,330

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
53,54,19,100	-	53,54,19,100	-	53,54,19,100

B Other equity

(Rupees)

(1) Current reporting period

	Reserves and surplus				Total
	General Reserve	Securities Premium	Revaluation Reserve	Retained Earnings	
Opening balance as at 1st April 2021	14,11,17,289	19,89,37,865	-	(1,29,76,69,248)	(95,76,14,094)
Profit for the year				(16,07,68,512)	(16,07,68,512)
ROC Charges for increase in Authorized capital		(18,40,007)			(18,40,007)
OCI for the period				(94,394)	(94,394)
Closing balance as at 31st March 2022	14,11,17,289	19,70,97,858	-	(1,45,85,32,154)	(1,12,03,17,007)

(2) Previous reporting period

Balance as at 1st April 2020	9,87,82,102	19,89,37,865	4,23,35,187	(92,28,33,673)	(58,27,78,519)
Profit for the year				(37,48,83,574)	(37,48,83,574)
OCI for the period				47,999	47,999
Transfer to General Reserve	4,23,35,187		(4,23,35,187)		-
Balance as at 31st March 2021	14,11,17,289	19,89,37,865	-	(1,29,76,69,248)	(95,76,14,094)

Notes forming part of the financial statements

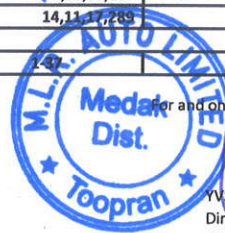
As per our report of even date attached
For G L N Prasad & Co. LLP
Chartered Accountants
Firm's registration number : 015176S/S200067



Ch. Ramakrishna
Partner
Membership No: 226417

Jatindra Dighe
Chief Financial Officer

Divya Shetty
Company Secretary



For and on behalf of the Board

YVS Vijay Kumar
Director
DIN: 03588223

Sundeep Chhabra
Director
DIN: 00240362

Hyderabad, Dated : 4th May 2022

UDIN: 22226417-AKSZCW3164

MLR Auto Limited
Notes to financial statements

(All amounts are in INR (Rupees), unless otherwise stated)

1. General information

MLR Auto Limited (the Company) is engaged in the business of manufacturing and sale of three-wheeled Vehicles & its Spares. The company has manufacturing facilities located in India at situated at Survey No.354, Automotive Park, Muppireddypally, Medak, Telangana – 502 336. The products are sold in India across various states.

1.1 Going Concern

The Company has incurred losses in the current and previous financial years and has negative net worth of Rs. 39,67,77,677 as at 31st March, 2022, and the current liabilities exceed current assets by Rs. 46,91,731. The Company's management has carried out an assessment of the Company's financial performance and expects it to continue its operations and meet its liabilities as and when they fall due. Based on the following considerations, the management of the Company is of the opinion that it is appropriate to prepare the financial statements of the Company on a going concern basis.

During the current financial year, Greaves Electric Mobility Private Limited (formerly Ampere Vehicles Private Limited), a wholly owned subsidiary of Greaves Cotton Limited has acquired 26% stake in the Company by investing Rs. 18.81 crores on fully dilutive basis and entered into a definitive agreement under which it has right to increase the same to 51% on a fully diluted basis.

The Company's management continues to implement various measures such as improving revenue through increasing the dealer network, reductions in costs through operational efficiency improvement initiatives and rationalization of existing operations, adding new products, to help the Company establish consistent profitable operations and cash flows in the future. The management believes that the financial position of the Company will improve once the global scenario improves and expects that there will be an increase in operations that will lead to improved cash flows and long- term sustainability.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

1.2 Adoption of Indian Accounting Standards (IND AS)

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April 2021, with a transition date of 1st April 2020. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First time Adoption of Indian Accounting Standards.

Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March 2022, be applied retrospectively and consistently for all financial years presented. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in retained earnings.

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Upto the year ended 31st March 2021, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which included Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April 2020. (Refer **Note 37** for the details of first-time adoption exemptions availed by the Company).

1.3 Operating Segment:

Operating segments are reported in a manner consistent with the internal reporting provided to the Core Management Committee which includes the Chief Operating Decision Maker. The Chief Operating Decision Maker of the Company examines performance from the perspective of a company as a whole viz: Automotive business and hence there are no separate reportable segments as per Ind AS 108.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2. Summary of Significant Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013

2.2 Basis of preparation of financial statements

The financial statements have been prepared on an accrual basis under the historical cost convention. The accounting policies have been consistently applied by the company and are consistent with those used in the previous financial year.

2.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Consequent to the introduction of Goods and Service Tax (GST) with effect from 1st July 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed into GST. In accordance with Ind-AS 115 on Revenue and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT etc. are not part of Revenue.

2.3.1 Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company is recognising revenue as and when it satisfies the performance obligation by transferring promised goods to a customer and customer obtains control of the same.
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- the amount of revenue can be measured reliably.
- it is probable that the economic benefits associated with the transaction will flow to the Company.
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2.3.2 Rendering of services

Revenue in respect of services is recognised in the accounting year in which the services are performed in accordance with the terms of contract with Customers.

2.3.3 Dividend and Interest Income

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably.

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

2.4 Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). These financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency. Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of transactions. At the end of each reporting period monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in the Statement of profit and loss in the year in which they arise except for exchange differences arising on marking forward contracts to market rates are recognised in the Statement of profit and loss in the year in which they arise and the premium paid / received is accounted as expenses / income over the period of contract.

2.5 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the year in which they are incurred.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2.6 Employee benefits

2.6.1 Defined contribution plan

The eligible employees of the Company are entitled to receive benefits under provident fund schemes defined contribution plans, in which both employees and the Company make monthly contributions at a specified percentage of the employee's salary. The contributions are paid to the Regional Provident Fund Commissioner. There are no other obligations other than the contribution payable to the Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme.

2.6.2 Defined benefit plans

For defined benefit retirement plans (i.e. gratuity) the cost of providing benefits is determined using the projected unit credit method, with independent actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- re-measurement.

2.6.3 Compensated absences

Compensated absences which accrue to employees and where the avilment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.7 Goods and Services Tax (GST) paid on incurring expenses or on acquisition of assets

Expenses and Assets are recognised net of the amount of GST, except

- a. When the tax incurred on purchase of expenses or assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- b. The net amount of tax receivable / payable is included as part of other assets or other liabilities, as the case may be.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2.8 Taxation:

2.8.1 Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before tax” as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted for the reporting period.

2.8.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year

2.8.3 Current and Deferred Tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income, in which case, the current and deferred tax are also recognised in other comprehensive income.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2.9 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events (such as bonus shares, share-based payment arrangements), if any, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.10 Property, Plant and Equipment

Cost includes inward freight, taxes (other than taxes recoverable from tax authorities) and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.

Depreciation on fixed assets is provided under the written down value method over the useful life of the assets. Residual value of the assets is estimated at 5% of cost.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books and the resultant profit or loss (including capital profit), if any, is reflected in the Statement of profit and loss.

The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.11 Intangible asset

Intangible assets with finite useful lives that are acquired separately or own developed are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a written down value basis over their estimated useful lives. The estimated useful life and residual value is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2.12 Impairment of tangible assets and intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of profit and loss.

2.13 Inventories

Inventories are valued, after providing for obsolescence, as under:

- a. Raw materials, stores, spares, packing material, loose tools and traded goods at moving weighted average cost or net realisable value, whichever is lower.
- b. Work-in-progress at moving weighted average cost or net realisable value, whichever is lower.
- c. Finished goods at lower of weighted average cost including conversion cost or net realisable value, whichever is lower.

2.14 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2.15 Financial Asset

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.15.1 Financial assets at fair value through profit and loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of profit and loss. The net gain or loss recognised in the Statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income / Other Expenses' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

2.15.2 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

For trade receivables or any contractual rights to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures their allowances at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivable, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

2.15.3 De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.16 Warranties

Provisions for the expected cost of warranty obligations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation.

2.17 Contingent liabilities and contingent assets

Contingent liability is disclosed in the case of:

- i) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- ii) a present obligation when no reliable estimate is possible, and
- iii) a possible obligation, arising from past events where the probability of outflow of resources is not remote.

Contingent assets are neither recognised nor disclosed.

Contingent liabilities are reviewed at each balance sheet date and updated / recognised as appropriate.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

3. Accounting Judgements: -

3.1 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In the following areas the management of the Company has made critical judgements and estimates

a. Employee benefits

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost(income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.



Notes to financial statements (continued)

(All amounts are in INR (Rupees), unless otherwise stated)

b. Useful lives of Property, Plant and Equipment, Intangible assets

The Company reviews the useful life of property, plant and equipment & intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimate and judgement around these inputs are critical to assess the carrying value of assets. The Company applies judgement to determine the point at which the recognition criteria under accounting standard is satisfied.

c. Provision for Warranty

The Company gives warranties for its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made at the year-end represents the amount of expected cost of meeting such obligations of rectification / replacement. The timing of the outflows is expected to be within a period of twenty four to forty-eight months.

d. Provision for Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

e. Deferred Taxes: -

A deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized. As the company has incurred losses during the year and is having substantial brought forward losses and unabsorbed depreciation and as there is uncertainty of sufficient future taxable income which may be available for realization. Hence no amount of provision is made in respect of Deferred Tax Asset during the year as a matter of prudence with reference to Indian Accounting Standards (Ind AS) 12 issued by ICAI.



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****4 - Property, plant and equipment**

(Rupees)

Particulars	Freehold		Plant & Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total Property, plant and equipment
	Land	Buildings					
At April 1, 2020 (Deemed cost)	7,63,45,545	5,65,26,364	7,38,25,547	1,98,595	5,05,637	25,60,369	20,99,62,057
Additions	-	-	25,30,001	-	-	1,06,470	26,36,471
Disposals	(4,75,96,560)	(1,03,08,848)	-	-	-	-	(5,79,05,408)
At March 31, 2021	2,87,48,985	4,62,17,516	7,63,55,548	1,98,595	5,05,637	26,66,839	15,46,93,120
Additions	-	-	6,62,160	-	-	8,82,609	15,44,769
Disposals	-	-	(16,06,047)	(14,65,406)	(1,62,500)	(30,87,075)	(63,21,028)
At March 31, 2022	2,87,48,985	4,62,17,516	7,54,11,661	(12,66,811)	3,43,137	4,62,373	14,99,16,861
Depreciation/Amortization							
Charge for the year	-	53,50,204	1,31,68,289	35,366	1,46,198	6,39,852	1,93,39,909
Disposals	-	(80,82,664)	-	-	-	-	(80,82,664)
At March 31, 2021	-	(27,32,460)	1,31,68,289	35,366	1,46,198	6,39,852	1,12,57,245
Charge for the year	-	46,47,586	1,12,63,154	26,203	1,00,980	4,94,681	1,65,32,603
Disposals	-	-	(16,06,047)	(14,65,406)	(1,62,500)	(30,87,075)	(63,21,028)
At March 31, 2022	-	19,15,126	2,28,25,396	(14,03,837)	84,678	(19,52,542)	2,14,68,821
Net book value							
At April 1, 2020	7,63,45,545	5,65,26,364	7,38,25,547	1,98,595	5,05,637	25,60,369	20,99,62,057
At March 31, 2021	2,87,48,985	4,89,49,976	6,31,87,259	1,63,229	3,59,439	20,26,987	14,34,35,875
At March 31, 2022	2,87,48,985	4,43,02,391	5,25,86,265	1,37,026	2,58,459	24,14,915	12,84,48,040

4A. Capital work in process :-

At April 1, 2020							4,75,69,690
At March 31, 2021							-
At March 31, 2022							63,31,557

Ageing of CWIP :-

Particulars	Amount in CWIP for period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i. Projects in progress	63,31,557	-	-	-	63,31,557
ii. Projects temporarily suspended	-	-	-	-	-

4B - Intangible assets

(Rupees)

Particulars	Computer software	Total Intangible assets
At April 1, 2020 (Deemed cost)	4,43,614	4,43,614
Additions	-	-
Disposals	-	-
At March 31, 2021	4,43,614	4,43,614
Additions	2,08,600	2,08,600
Disposals	-	-
At March 31, 2022	6,52,214	6,52,214
Depreciation/Amortization		
Charge for the year	1,95,532	1,95,532
Disposals	-	-
At March 31, 2021	1,95,532	1,95,532
Charge for the year	1,22,797	1,22,797
Disposals	-	-
At March 31, 2022	3,18,329	3,18,329
Net book value		
At April 1, 2020	4,43,614	4,43,614
At March 31, 2021	2,48,082	2,48,082
At March 31, 2022	3,33,885	3,33,885



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2022

5 - Investments

(Rupees)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Nos.	Amount	Nos.	Amount
Non-current (Unquoted) Investments Equity instruments (at cost) (500 shares of Rs. 25 each)	500	12,500	500	12,500
Total	500	12,500	500	12,500



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****6 - Other financial assets****(Rupees)**

	Particulars	As at 31st March 2022	As at 31st March 2021
6A	Non-current Security deposits	20,18,028	20,21,824
	Non-current total	20,18,028	20,21,824
6B	Current Interest receivable	60,122	4,86,872
	Staff advances	6,90,396	7,33,272
	Current total	7,50,518	12,20,144
	Total	27,68,546	32,41,968

7 - Income tax assets (Net)**(Rupees)**

	Particulars	As at 31st March 2022	As at 31st March 2021
	Non-Current Income Tax Asset (Net)	5,27,544	9,99,242
	Total	5,27,544	9,99,242



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****8 - Other assets****(Rupees)**

	Particulars	As at 31st March 2022	As at 31st March 2021
8A	Non-current		
	Capital advances	1,38,61,403	2,40,30,478
	Deposit with GEMPL	3,16,20,220	-
	Non-current total	4,54,81,623	2,40,30,478
8B	Current		
	Advances to suppliers	53,66,020	70,19,056
	Prepaid expenses	16,51,880	66,407
	Balances with Govt Authorities	1,18,95,691	36,96,113
	Current total	1,89,13,591	1,07,81,576
	Total	6,43,95,214	3,48,12,054

9 - Inventories**(Rupees)**

	Particulars	As at 31st March 2022	As at 31st March 2021
	Inventories (lower of cost and net realisable value)		
	Raw materials	5,53,78,888	2,29,12,596
	Work-in-progress	56,50,843	48,39,504
	Finished goods	1,30,58,622	60,87,000
	Provision/writeoff for slow & non-moving inventory #	(1,73,58,825)	-
	Total	5,67,29,528	3,38,39,100

Note: # During the year, company has indentified the non-moving inventory of dis-continued products and accordingly provided for write-down of such inventory. (Refer note no: 27)



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****10 - Trade receivables**

(Rupees)

Particulars	As at	As at
	31st March 2022	31st March 2021
Trade receivables considered good - Secured*	20,94,152	96,650
Trade receivables considered good - Unsecured	26,58,527	80,86,475
Trade receivables - credit impaired/doubtful	5,37,82,262	5,38,35,934
Allowance for doubtful debts (expected credit loss allowance)	(5,37,82,262)	(5,38,35,934)
	47,52,679	81,83,125

* Secured trade receivables are against bank guarantee.

Note:-

The company has a policy of making provision for expected credit loss on Trade receivables for non-recoverability. The company has made such provisions by using practical expedient recoverability as permitted under Ind AS 109. (Refer note: 26)

Trade Receivables ageing schedule as at 31st March 2022

(Rupees)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	21,70,607	3,66,577	17,26,528	3,61,458	1,27,508	47,52,679
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	26,31,505	8,91,775	96,26,176	4,06,32,806	5,37,82,262
	21,70,607	29,98,082	26,18,303	99,87,635	4,07,60,314	5,85,34,941

Trade Receivables ageing schedule as at 31st March 2021

(Rupees)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	40,22,730	17,56,754	21,16,913	1,69,145	1,17,584	81,83,125
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	3,86,767	1,95,000	84,88,794	3,23,03,697	1,24,61,675	5,38,35,934
	44,09,497	19,51,754	1,06,05,707	3,24,72,843	1,25,79,259	6,20,19,059

11 - Cash and cash equivalents

(Rupees)

Particulars	As at	As at
	31st March 2022	31st March 2021
Cash on hand	28,956	2,750
Balances with banks :		
In current accounts	49,59,780	24,640
	49,88,736	27,390



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****12 - Equity share capital**

(Rupees)

Particulars	As at	As at
	31st March 2022	31st March 2021
Authorised 7,50,00,000 Equity shares of Rs. 10 each (previous year 5,50,00,000 Equity shares of Rs. 10 each)	75,00,00,000	55,00,00,000
Issued, subscribed and fully paid up 7,23,53,933 Equity shares of Rs. 10 each (previous year 5,35,41,910 Equity shares of Rs. 10 each)	72,35,39,330	53,54,19,100
	72,35,39,330	53,54,19,100

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of shares held in the Company	Percentage of shares held	Number of shares held in the Company	Percentage of shares held
12A Shares in the Company held by each shareholder holding more than 5% shares				
Fully paid equity shares				
Greaves Electric Mobility Private Limited	1,88,12,023	26.00%	-	-
Ashish Kacholia	1,31,01,240	18.11%	1,31,01,240	24.47%
Param Capital Research Private Limited	86,63,950	11.97%	86,63,950	16.18%
Bengal Finance Investment Private Limited	36,95,650	5.11%	36,95,650	6.90%

12B Terms / Rights attached to equity shares

- i) The Company has only one class of equity shares having face value of Rs. 10 per share. The equity shares rank pari passu in all respects including voting rights and entitlement of dividend.
- ii) In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

12C Shareholding of promoters

Shares held by promoters as at 31st March 22			% Change during the year	
S. No.	Promoter Name	Number of shares held in the Company	Percentage of total shares	
			Decrease	
1.	M.Lokeswara Rao & Family	1,27,62,500	23.84%	6.20%



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2022

13 - Other equity

(Rupees)

Particulars	As at	As at
	31st March 2022	31st March 2021
Reserves and surplus		
Securities premium (Refer note 1 below)	19,70,97,858	19,89,37,865
General reserve (Refer note 2 below)	14,11,17,289	14,11,17,289
Retained earnings*	(1,45,85,32,154)	(1,29,76,69,248)
	(1,12,03,17,007)	(95,76,14,094)

Note

1. Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Act.

2. General reserve is created by a transfer of revaluation reserve created in Financial year 2009-10 on account of revaluation of Land.

*Refer Statement of changes in equity

14 - Borrowings

Particulars	As at	As at
	31st March 2022	31st March 2021
14A Non-current		
a. <u>Secured</u>		
Term Loan From GFL #	6,50,00,000	-
Total secured	6,50,00,000	-
b. <u>Unsecured</u>		
From Directors, Individuals and Body Corporates*	42,66,73,951	3,32,37,610
Total unsecured	42,66,73,951	3,32,37,610
Total	49,16,73,951	3,32,37,610
14B Current		
a. <u>Secured</u>		
Vardhaman Mahila (Co-op)Bank (SOD)	-	1,47,59,738
Vardhaman Mahila (Co-op)Bank (FITL)	-	3,84,178
Karur Vysya Bank	-	9,72,667
Term Loan From A.P.S.F.C **	-	3,24,45,558
Total secured	-	4,85,62,141
b. <u>Unsecured</u>		
From Directors, Individuals and Body Corporates*	-	44,86,97,301
Total unsecured	-	44,86,97,301
Total	-	49,72,59,442

Security Details:

During the year, the Company took loan from Greaves Finance Limited (GFL) and a charge is being created in favour of GFL by equitable mortgage of land situated at Survey No. 354, Automotive park, Muppireddipalli Village, Toopran Mandal, Medak District together with building constructed /to be constructed there on and hypothecation of movable plant and machinery.

Terms of Repayment of Secured Loans

Loan	Sanction Date	Rate of Interest	Repayment detail
GFL Term Loan	21-03-2022	12.50%	After 2 Years from disbursal date

Unsecured loan

*During the year, the Company has entered into loan agreements with individual lenders and accordingly the terms of payments have been re-negotiated. Accordingly, the maturity dates have been re-worked and based on these maturity dates the classification of borrowings is changed. These loans are taken for business purposes which carry interest at SBI PLR. These loans are repayable within 3 years.

**** Security Details:**

During the year, the Company repaid the loan taken from Andhra Pradesh State Financial Corporation (APSFC) and accordingly charge created in favour of APSFC by equitable mortgage of land situated at Survey No. 354, Automotive park, Muppireddipalli Village, Toopran Mandal, Medak District together with building constructed /to be constructed there on and hypothecation of movable plant and machinery is being vacated.

**** Repayment of Borrowings (Current and Non Current) and Interest**

During the year the Company has repaid total outstanding amount of Principal Rs. 3,24,45,558 and also the interest thereon. (Previous year, as per the loan sanctioned terms, there was a delay in repayment of Rs. 3,24,45,558 Principal to the lender (APSFC) as on March 31, 2021).

Particulars	Principal/Interest	
	As at 31st March 2022	As at 31st March 2021
Loan from Bank		
A.P.S.F.C Term Loan (Principal)	-	3,24,45,558
A.P.S.F.C Term Loan (Interest)	-	15,22,749

15 - Other financial liabilities
(Rupees)

Particulars	As at	As at
	31st March 2022	31st March 2021
15A Non-Current		
Trade advance	7,50,88,681	-
Deposits from dealers	49,02,004	71,01,987
Capital creditors	11,51,860	86,92,757
Non-Current total	8,11,42,545	1,57,94,744
15B Current		
Employee benefits payable	75,19,898	1,25,26,467
Interest accrued and due on borrowings	1,89,554	-
Interest accrued, but not due on borrowings	2,66,17,615	2,21,07,315
Other payable	1,04,61,964	91,30,911
Current total	4,47,89,031	4,37,64,693
Total	12,59,31,576	5,95,59,437



16 - Provisions

(Rupees)

	Particulars	As at 31st March 2022	As at 31st March 2021
16A	Non-current		
	Provision for employee benefits		
	Compensated absences	4,31,008	-
	Gratuity	15,55,132	17,68,962
	Non-current total	19,86,140	17,68,962
16B	Current		
	Provision for employee benefits		
	Compensated absences	16,50,476	-
	Gratuity	15,30,647	6,87,595
	Current total	31,81,123	6,87,595
	Total	51,67,263	24,56,557

Note: Provision for Gratuity and Compensated absences are created as per Actuarial valuation report and classification of the same.

17 - Other liabilities

(Rupees)

	Particulars	As at 31st March 2022	As at 31st March 2021
17A	Non-current		
	Warranty payables	4,36,487	3,87,900
	Non-current total	4,36,487	3,87,900
17B	Current		
	Advances from customers	1,03,45,012	71,33,048
	Statutory dues	43,51,727	1,42,83,816
	Marketing schemes payable	25,66,500	-
	Current total	1,72,63,239	2,14,16,864
	Total	1,76,99,726	2,18,04,764

Movement in Provision for Warranty

Particulars	As at 31st March 2022	As at 31st March 2021
Opening balance	3,87,900	27,18,340
Add: Provision recognised during the year	3,83,400	4,26,600
Less: Amount utilised during the year	(3,34,813)	(27,57,040)
Closing balance	4,36,487	3,87,900



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****18 - Trade payables**

(Rupees)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade payables		
Due to micro enterprises and small enterprises*	2,42,652	38,75,680
Other than micro enterprises and small enterprises	2,53,50,738	2,88,00,840
	2,55,93,390	3,26,76,520

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

Particulars	As at 31st March 2022	As at 31st March 2021
Principal amount and interest due:		
Principal amount	2,42,652	38,75,680
Interest due	10,45,755	-
Interest paid by buyer in terms of section 16 of MSMED Act, 2006	-	-
Amount paid beyond the appointed day	2,45,65,010	-
Interest due and payable to supplier, for payment already made under MSMED Act	10,45,755	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year	10,45,755	-
Amount of further interest remaining due and payable even in succeeding years	10,45,755	-

Trade Payables aging schedule as at 31st March 22

(Rupees)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	2,42,652	-	-	-	2,42,652
(ii) Others	2,19,46,678	27,65,193	2,11,477	4,27,390	2,53,50,738
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	2,21,89,330	27,65,193	2,11,477	4,27,390	2,55,93,390

Trade Payables aging schedule as at 31st March 21

(Rupees)

Particulars	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	37,04,960	1,70,720	-	-	38,75,680
(ii) Others	2,49,95,573	9,43,924	12,62,931	15,98,411	2,88,00,840
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	2,87,00,533	11,14,645	12,62,931	15,98,411	3,26,76,520



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****19 - Revenue from operations**

(Rupees)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Sale of products		
(i) Finished goods	7,82,92,117	8,28,21,419
(ii) Spares	9,66,573	13,38,825
	7,92,58,690	8,41,60,244

It derives its revenue from sale of vehicles and spare parts of these vehicles.

Effective 1st April 2020, the Company adopted Ind AS 115 'Revenue from contracts with customers'.

Accordingly, the Company is recognizing the revenue as and when it satisfies the performance obligation by transferring promised good or service to a customer and customer obtains the control of the same.

The vehicles and its spares are sold through dealership/distributor network. The company issues itemwise price list to the dealers and distributors.

The Company gives monthly scheme to the dealers/distributors to support the secondary sales. Provision for such expenses is accounted separately under other expenses.

20 - Other income

(Rupees)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest income	2,42,245	77,377
Dividend income	1,875	-
Profit on sale of Property, Plant and Equipment (Net)	-	16,18,257
Amounts no longer payable	98,26,649	27,24,375
Excess Provision Written Off	2,54,225	21,82,422
Scrap sales	37,689	74,270
Miscellaneous income	12,052	2,94,542
	1,03,74,735	69,71,243

21 - Cost of materials consumed

(Rupees)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Raw materials consumed		
Opening stock	2,29,12,596	1,75,09,039
Purchases	10,57,01,374	8,69,80,354
Less : Closing stock	5,11,15,781	2,29,12,596
	7,74,98,189	8,15,76,797

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

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Opening inventories		
Finished goods	60,87,000	56,99,445
Work-in-progress	48,39,504	-
Stock-in-trade	-	4,00,000
	1,09,26,504	60,99,445
Closing inventories		
Finished goods	1,30,58,622	60,87,000
Work-in-progress	56,50,843	48,39,504
Stock-in-trade	-	-
	1,87,09,465	1,09,26,504
Increase/(Decrease) in Inventories	77,82,961	48,27,059



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****23 - Employee benefits expense**

(Rupees)

Particulars	Year ended	Year ended
	31st March 2022	31st March 2021
Salaries and wages	3,12,25,300	2,81,28,538
Contribution to provident funds and other funds	19,69,443	14,07,949
Staff welfare expenses	49,57,262	22,13,405
	3,81,52,005	3,17,49,892

Employee benefit plans**23A Defined contribution plans**

The amount recognised as an expense during the year ended 31st March 2022 towards Provident Fund (including admin charges), ESIC contribution and Superannuation & National Pension Scheme is Rs. 16.19 Lacs (previous year Rs. 14.07 Lacs).

23B Defined benefit plans

The Company is responsible for the overall governance of the plan. Since the plan is unfunded, the governance of the plan is limited to employees being paid gratuity as per the terms of the plan.

Interest risk	The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan.
Longevity risk	Since the benefits are lump sum in nature the plan is not subject to any longevity risks.
Salary risk	In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future.

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

Particulars	Valuation as at	
	As at 31st March 2022	As at 31st March 2021
Discount rate(s)	6.91%	5.60%
Expected rate(s) of salary increase	5.00%	7.00%



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****23 - Employee benefits expense**

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows:		
Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Service cost:		
Current service cost	3,88,836	3,63,704
Past service cost and gain from settlements	-	-
Interest on net defined benefit asset	1,45,992	1,38,412
Components of defined benefit costs recognised in profit or loss during the year	5,34,828	5,02,116
Opening amount recognised in other comprehensive income :		
Re-measurement during the year due to:		
Changes in financial assumptions	2,44,773	(5,534)
Changes in demographic assumptions	(41,828)	-
Experience adjustments	(1,08,551)	53,533
Actual return on plan assets less interest on plan assets		
Closing amount recognised in other comprehensive income :	94,394	47,999
Components of defined benefit (income) / cost recognised in other comprehensive income during the year	94,394	47,999

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of profit and loss.

The re-measurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31st March 2022	As at 31st March 2021
Present value of unfunded defined benefit obligation	30,85,779	24,56,557
Net (asset)/liability arising from defined benefit obligation	30,85,779	24,56,557

Movements in the present value of the defined benefit obligation are as follows:

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Opening defined benefit obligation	24,56,557	21,52,556
Current service cost	3,88,836	3,63,704
Past service cost	-	-
Interest on defined benefit obligation	1,45,992	1,38,412
Re-measurement due to:		
Actuarial (gains) / losses arising from changes in financial assumptions	2,44,773	(5,534)
Actuarial (gains) / losses arising from changes in demographic assumptions	(41,828)	-
Actuarial (gains) / losses arising from experience changes	(1,08,551)	53,533
Benefits paid	-	(2,46,114)
Closing defined benefit obligation	30,85,779	24,56,557

MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2022

23 - Employee benefits expense

Sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points

	Year ended 31st March 2022
	Discount rate
Impact of increase in 50 bps on DBO	-1.91%
Impact of decrease in 50 bps on DBO	1.99%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

The weighted average duration to the payment of these cash flows is 3.90 years.

Projected plan cash flow :

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date :

Maturity profile	2021-22
Expected benefits for year 1 to 3	24,31,195
Expected benefits for year 4 and 5	3,17,230
Expected benefits for year 6 and above	9,19,906



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2022
24 - Finance costs

(Rupees)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest expenses :-		
Interest on Unsecured loans	3,81,32,055	2,85,00,286
Interest on Term loans	52,49,184	65,35,357
Interest on Working capital	12,94,418	22,43,153
Interest on Others	34,91,251	21,171
Total	4,81,66,908	3,72,99,967

25 - Depreciation and amortisation expense

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation of property, plant and equipment (Note 4)	1,65,32,603	1,93,39,909
Amortisation of intangible assets (Note 4B)	1,22,797	1,95,532
Total	1,66,55,400	1,95,35,441

26 - Other expenses

(Rupees)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Contract labour charges	1,02,46,589	62,77,497
Power and fuel	41,37,652	44,11,796
Testing charges	11,98,225	33,81,155
Repairs and Maintenance	7,58,905	1,30,543
Rent	6,10,000	3,66,600
Rates and Taxes	12,49,176	19,60,948
Bank Charges	8,51,427	1,065
Insurance	5,41,666	1,57,165
Travelling and Conveyance	40,19,336	23,29,164
Printing and Stationery	71,987	71,547
Postage and Telephones	4,27,839	4,41,447
Vehicles Maintenance	4,49,341	3,12,788
Legal & Professional Charges	1,52,62,841	2,72,19,372
Auditor's Remuneration :-		
Statutory & Tax audit fee	3,25,000	2,65,000
Internal audit fee	7,50,000	-
Marketing Expenses	43,45,759	11,23,196
Loss on Sale of Buy Back Vehicles	-	57,77,628
Warranty expenses	6,74,770	4,49,894
Directors Sitting fee	2,60,000	-
Recruitment Expenses	10,86,720	13,962
Provision for Doubtful advances	1,12,66,744	-
Provision/(Recovery) for Doubtful debts (Refer note: 10)	(53,672)	84,77,951
Miscellaneous Expenses	18,73,266	54,69,762
Total	6,03,53,571	6,86,38,480

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
26A Auditor's Remuneration include:		
Auditors' remuneration and expenses		
Statutory audit fees	2,50,000	2,00,000
Payments to tax auditors		
Tax audit fees	75,000	65,000

27 - Exceptional items

(Rupees)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(i) Provision for Slow-moving inventory	1,73,58,825	-
(ii) Intangible assets under development written-off	-	23,20,41,543
Exceptional items (net)	1,73,58,825	23,20,41,543

Note: 1 During the year, company has identified the non-moving inventory of dis-continued products and accordingly provided for written-down of such inventory. (Refer note no: 9)

MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2022

28 - Earnings per share

(Rupees)

	Particulars	Year ended 31st March 2022	Year ended 31st March 2021
	Profit for the year	(16,07,68,512)	(37,48,83,574)
	Weighted average number of equity shares outstanding	6,18,91,356	5,35,41,910
	Basic earnings per share	(2.60)	(7.00)



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2022
29 - Related party transactions
I. List of related parties :-

29A Promoter and the promoter group companies, where company has transactions during the year :	
M.Lokeshwara Rao	Director till 20th October 2021
B. Kishore Babu	Director till 20th October 2021
MLR Motors Limited	
Lokesh Machines Limited	

29B Name of related concerns/enterprises :

Greaves Electric Mobility Private Limited
Greaves Cotton Ltd
Greaves Finance Limited
Raushee Investments

29C Key management personnel :

M.Lokeshwara Rao	Director till 20th October 2021
B. Kishore Babu	Director till 20th October 2021
Sundeeep R. Chhabra	Director
Sanjeev Ponnusamy	Wholetime director from 21st October 2021 onwards
Jatindra Dighe	Chief Financial Officer from 21st October 2021 onwards
M.Ravi Kumar	Chief Financial Officer till 20th October 2021

29D Relatives of Key management personnel :

M.Likhitha

II.
29E Transactions with related parties :

The following transactions occurred with the related parties:

(Rupees)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Sales and purchases of goods and services		
Sale of goods		
Greaves Electric Mobility Private Limited	5,72,24,547	-
Greaves Cotton Limited	1,26,91,586	-
Purchase of Goods		
Greaves Cotton Limited	2,07,70,162	1,79,92,021
Lokesh Machines Limited	-	2,29,03,834
Rendering of services/Reimbursement of expenses		
Greaves Electric Mobility Private Limited	15,89,606	-
Greaves Cotton Limited	6,78,286	-
Jatindra Dighe	1,06,372	-
M.L.R Motors Ltd	6,61,923	48,59,907
M.Lokeshwara Rao	-	73,50,000
M.Likhitha	-	14,00,000
Unsecured Loans :		
M.Lokeshwara Rao	1,19,25,000	2,64,75,800
Raushee Investments	10,00,000	-
Secured Loans :		
Greaves Finance Limited	6,50,00,000	-
Repayment of Loan :		
M.Lokeshwara Rao	5,91,25,473	-
Non-Refundable deposit :		
Greaves Electric Mobility Private Limited	3,16,20,220	-
Trade advance :		
Lokesh machines limited	-	1,64,23,000
M.Lokeshwara Rao	1,03,00,000	-
Raushee Investments	77,00,000	-
Interest accrued on Unsecured Loans :		
M.Lokeshwara Rao	21,13,487	-
Raushee Investments	20,79,693	-
Lokesh Machines Limited	14,46,111	50,99,923
B. Kishore Babu	1,46,400	-
M.Likhitha	1,37,753	-
Interest on Secured Loans :		
Greaves Finance Limited	2,10,616	-
Other transactions		
Sitting fees paid		
Raja Venkataraman	1,30,000	-
M P Shyam	1,30,000	-



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****29 - Related party transactions**

The following balances were outstanding as at end of the reporting period :

Particulars	Amounts owed by related parties as at		Amounts owed to related parties as at	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Greaves Cotton Limited	3,16,364	-	87,60,388	13,47,533
Greaves Electric Mobility Private Limited	3,16,20,220	-	69,98,885	-
Greaves Finance Limited	-	-	6,52,10,616	-
MLR Motors Limited	-	-	-	85,79,701
Lokesh Machines Limited	-	-	2,77,24,752	3,85,36,352
Raushee Investments	-	-	3,98,71,724	3,70,00,000
M.Lokeshwara Rao	-	-	1,22,02,138	5,75,00,473
B. Kishore Babu	-	-	61,31,760	60,00,000
Jatindra Dighe	-	-	4,36,109	-
M.Likhitha	-	-	26,40,978	25,17,000

29F Compensation of key management personnel :

The remuneration of directors and other members of the key management personnel during the year were as follows:

Particulars	Year ended	Year ended
	31st March 2022	31st March 2021
Sanjeev Ponnusamy *	6,83,592	-
Jatindra Dighe	21,30,550	-
M. Ravi Kumar	9,95,000	18,00,000
	38,09,142	18,00,000

* Remuneration is paid through Greaves Electric Mobility Private Limited by way of Cross Charge.



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2022****30 - Contingent liabilities**

(Rupees)

Particulars	As at 31st March 2022	As at 31st March 2021
Delayed payment of TDS demands	13,50,623	13,08,948

31 - Commitments

Particulars	As at 31st March 2022	As at 31st March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	72,57,926	-

32 - Operating lease arrangementsPayments recognised as an expense

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Minimum lease payments :- Rented premises	6,10,000	3,53,100

33 - Expenditure on research and development

Particulars	As at 31st March 2022	As at 31st March 2021
a) Revenue expenditure charged to Statement of profit and loss	18,54,084	18,06,958
b) Capital expenditure	13,31,557	-
	31,85,641	18,06,958

34 - Imported and indigenous raw materials, components and spare parts consumed

(Rupees)

Particulars	For the year ended 31st March 2022		For the year ended 31st March 2021	
	% of Total Consumption	Amount Rs./	% of Total Consumption	Amount Rs./
Raw Materials :-				
Imported	0%	-	0%	-
Indigenously obtained	100%	7,74,98,189	100%	8,15,76,797
	100%	7,74,98,189	100%	8,15,76,797

35 - Ratios

Particulars	Numerator	Denominator	FY 2022	FY 2021	% Variance	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	0.95	0.09	945%	Reclassification of borrowings due to re-negotiation of payment terms
(b) Debt-Equity Ratio *	Debt	Equity	-	-		
(c) Debt Service Coverage Ratio*	EBITDA	Interest + Principal	-	-		
(d) Return on Equity Ratio *	PAT	Average equity	-	-		
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	1.54	2.67	42%	Due to improvement of operations, inventory has increased.
(f) Trade Receivables turnover ratio	Net sales	Average trade receivable	12.25	5.01	145%	Due to reduction in receivables
(g) Trade payables turnover ratio	Net Purchases	Average trade payable	3.63	3.71	2%	
(h) Net capital turnover ratio *	Net sales	Working capital	-	-		
(i) Net profit ratio *	PAT	Net sales	-	-		
(j) Return on Capital employed*	EBIT	Average capital employed	-	-		
(k) Return on investment *	PAT	Average equity	-	-		

* Where ever ratios are negative, the same are not disclosed.

36 - The figures for the corresponding previous period have been regrouped wherever necessary, to make them comparable with the figures of the current period.

37. Effect of Ind AS adoption on the balance sheet as at:

37A. Effect of Ind AS adoption on the balance sheet as at 1st April 2020

(Rupees)

Particulars	Note to first time adoption	Previous GAAP	Adjustment	Ind AS
			Re-Measurement	
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment		20,99,62,057		20,99,62,057
(b) Capital work-in-progress		4,75,69,690		4,75,69,690
(c) Other Intangible assets		4,43,614		4,43,614
(d) Intangible assets under development		18,42,21,853		18,42,21,853
(e) Financial Assets				-
(i) Investments	a)	22,515	(10,015)	12,500
(ii) Loans				-
(iii) Other Financial Assets		61,52,916		61,52,916
(f) Income Tax Assets (Net)		15,52,620		15,52,620
(g) Deferred Tax Assets (Net)		-		-
(h) Other Non-Current Assets		85,79,701		85,79,701
Total Non-current assets		45,85,04,966	(10,015)	45,84,94,951
Current assets				
(a) Inventories		2,36,08,494		2,36,08,494
(b) Financial Assets				-
(i) Trade Receivables	c)	4,56,58,976	(2,02,32,828)	2,54,26,148
(ii) Cash & Cash Equivalents		24,392		24,392
(iii) Bank balance other than (iii) above		-		-
(iv) Loans				-
(v) Other Financial Assets		15,55,343		15,55,343
(d) Other Current Assets		3,09,84,130		3,09,84,130
Total Current assets		10,18,31,335	(2,02,32,828)	8,15,98,507
Total Assets		56,03,36,301	(2,02,42,843)	54,00,93,458
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		53,54,19,100	-	53,54,19,100
(b) Other Equity		(57,61,16,683)	(66,61,836)	(58,27,78,519)
Total Equity		(4,06,97,583)	(66,61,836)	(4,73,59,419)
Liabilities				
Non current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	d)	7,08,83,444	(1,35,81,007)	5,73,02,437
(ii) Other financial liabilities		1,33,98,654	-	1,33,98,654
(b) Provisions		19,45,384	-	19,45,384
(c) Deferred Tax Liabilities Net		-	-	-
(d) Other non-current liabilities		28,32,725	-	28,32,725
Total Non Current Liabilities		8,90,60,207	(1,35,81,007)	7,54,79,200
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		44,52,61,050	-	44,52,61,050
(ii) Trade Payables				-
(a) total outstanding dues of Micro Enterprises and Small En		-	-	-
(b) total outstanding dues creditors other than Micro		1,42,67,569	-	1,42,67,569
(iii) Other Financial Liabilities		3,95,83,270	-	3,95,83,270
(c) Provisions		-	-	-
(d) Current Tax Liabilities (Net)		-	-	-
(b) Other Current Liabilities		1,28,61,788	-	1,28,61,788
Total Current Liabilities		51,19,73,677	-	51,19,73,677
Total Equity and Liabilities		56,03,36,301	(2,02,42,843)	54,00,93,458

37B. Effect of Ind AS adoption on the balance sheet as at 31st March 2021

(Rupees)

Particulars	Note to first time adoption	Previous GAAP	Adjustment	Ind AS
			Re Measurement	
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment		14,34,35,875		14,34,35,875
(b) Capital work-in-progress		-		-
(c) Other Intangible assets		2,48,082		2,48,082
(d) Intangible assets under development		-		-
(e) Financial Assets				
(i) Investments	a)	22,515	(10,015)	12,500
(ii) Loans				-
(iii) Other Financial Assets		20,21,824		20,21,824
(f) Income Tax Assets (Net)		9,99,242		9,99,242
(g) Deferred Tax Assets (Net)		-		-
(h) Other Non-Current Assets		2,40,30,478		2,40,30,478
Total Non-current assets		17,07,58,016	(10,015)	17,07,48,001
Current assets				
(a) Inventories		3,38,39,100		3,38,39,100
(b) Financial Assets				-
(i) Trade Receivables	c)	3,68,93,904	(2,87,10,779)	81,83,125
(ii) Cash & Cash Equivalents		27,390		27,390
(iii) Bank balance other than (iii) above		-		-
(iv) Loans				-
(v) Other Financial Assets		12,20,144		12,20,144
(d) Other Current Assets		1,07,81,576		1,07,81,576
Total Current assets		8,27,62,114	(2,87,10,779)	5,40,51,335
Total Assets		25,35,20,130	(2,87,20,794)	22,47,99,336
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital		53,54,19,100	-	53,54,19,100
(b) Other Equity		(93,38,78,941)	(2,37,35,153)	(95,76,14,094)
Total Equity		(39,84,59,841)	(2,37,35,153)	(42,21,94,994)
Liabilities				
Non current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	d)	3,82,23,251	(49,85,641)	3,32,37,610
(ii) Other financial liabilities		1,57,94,744		1,57,94,744
(b) Provisions		17,68,962		17,68,962
(c) Other non-current liabilities		3,87,900		3,87,900
Total Non Current Liabilities		5,61,74,857	(49,85,641)	5,11,89,216
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings		49,72,59,442		49,72,59,442
(ii) Trade Payables				
(a) total outstanding dues of Micro Enterprises and Small En		38,75,680		38,75,680
(b) total outstanding dues creditors other than Micro		2,88,00,840		2,88,00,840
(iii) Other Financial Liabilities		4,37,64,693		4,37,64,693
(b) Provisions		6,87,595		6,87,595
(c) Other Current Liabilities		2,14,16,864		2,14,16,864
Total Current Liabilities		59,58,05,114	-	59,58,05,114
Total Equity and Liabilities		25,35,20,130	(2,87,20,794)	22,47,99,336



37C. Reconciliation of total equity as at 31st March 2021 and 1st April 2020

Particulars	Notes to first time adoption	(Rupees)	
		31st March, 2021	1st April, 2020
Total equity under pervious GAAP		-39,84,59,841	-4,06,97,583
Adjustments on account of :-			
Fair valuation of Investment	a)	-10,015	-10,015
Provision for expected credit losses	c)	-2,87,10,779	-2,02,32,828
Fair valuation of interest free Borrowings	d)	1,35,81,007	1,35,81,007
Unwinding of Interest on Interest free Borrowings	d)	-85,95,366	-
Total adjustments		-2,37,35,152	-66,61,836
Total equity under Ind AS		-42,21,94,993	-4,73,59,419

37D. Reconciliation of total comprehensive income for the year ended 31 March, 2021

Particulars	Notes to first time adoption	(Rupees)	
		31st March, 2021	
Profit/(Loss) after tax as reported under previous GAAP			-35,77,62,258
Unwinding of Interest on Interest free Borrowings	d)		-85,95,366
Remeasurement of defined benefit obligation recognised in OCI under Ind AS	b)		47,999
Provision for expected credit losses	c)		-84,77,951
Total Ind AS Adjustments			-1,70,25,318
Profit after Tax as reported under Ind AS			-37,47,87,576
Other Comprehensive Income	b)		-47,999
Total Comprehensive Income as reported under Ind AS			-37,48,35,575

37E. Effect of Ind AS adoption on the statement of profit and loss for the year ended 31st March 2021:

S No	Particulars	Note to first time adoption	(Rupees)		
			Previous GAAP	Adjustments	Ind AS
	Income				
I	Revenue from operations		8,41,60,244		8,41,60,244
II	Other Income		69,71,243		69,71,243
III	Total Revenue (I +II)		9,11,31,487	-	9,11,31,487
IV	Expenses:				
	Cost of Materials Consumed		7,39,93,463		7,39,93,463
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		12,445		12,445
	Employee benefits expense	b)	3,73,87,571	(47,999)	3,73,39,572
	Finance costs	d)	2,87,04,602	85,95,366	3,72,99,968
	Depreciation and amortization expense		1,95,35,441		1,95,35,441
	Other expenses	c)	5,72,18,680	84,77,951	6,56,96,631
	Total Expenses		21,68,52,202	1,70,25,318	23,38,77,520
V	Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		(12,57,20,715)	(1,70,25,318)	(14,27,46,033)
VI	Exceptional items		23,20,41,543	-	23,20,41,543
VII	Profit/(Loss) before tax (VII-VIII)		(35,77,62,258)	(1,70,25,318)	(37,47,87,576)
VIII	Tax expense:				
	(1) Current tax		-		-
	(2) Deferred tax Liability/(Asset)		-		-
IX	Profit/(Loss) for the period		(35,77,62,258)	(1,71,21,316)	(37,47,87,576)
X	Other comprehensive Income				
	Items that will not be reclassified to profit or loss	b)		(47,999)	(47,999)
	Tax on items that will not be reclassified to profit or loss		-	(47,999)	(47,999)
XI	Total comprehensive income for the year (IX+X)		(35,77,62,258)	(1,70,73,317)	(37,48,35,575)



37F. Adjustments to Statement of Cash flows

There were no material differences between the Statement of Cash Flows presented under Ind AS and the previous GAAP.

37G. Notes to first time adoption

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less permanent diminution in the value of such investments. Current

a. investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the Statement of profit or loss for the year ended 31st March 2021. This decreased the retained earnings by Rs. 10,015 as at 31st March 2021 (1st April 2020 -Rs. 10,015).

Under Ind AS 19, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of Statement of profit and loss. Under the previous GAAP, these

b. remeasurements were forming part of the statement of profit and loss for the year. As a result of this change, the Statement of profit for the year ended 31st March 2021 increased by Rs.47,999. There is no impact on the total equity as at 31st March 2021.

Under previous GAAP, the Company had created provision for doubtful debts based on specific amount for incurred losses. Under Ind AS, the allowance for

c. doubtful debts has been determined based on expected credit loss model. This decreased the retained earnings by Rs. 2,02,32,828 as at 1st April 2020. The Profit for the year ended 31st March 2021 is decreased by Rs. 84,77,951 and retained earnings by Rs. 2,87,10,779 as on 31st March 2021.

Under the previous GAAP, interest free loans taken (Borrowings) are recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognised at fair value. Accordingly, the Company has fair valued these long term interest free borrowings and the Difference between the fair value and transaction value of the Borrowings has been recognised in retained earnings on the date of transition. Consequent to this change, the amount

d. of Borrowings decreased and Retained Earnings increased by Rs. 1,35,81,007 as at 1st April 2020. Subsequently, the profit for the year ended 31st March 2021 and total equity as at 31st March 2021 is decreased by Rs. 85,95,366 due to unwinding of interest on the said Borrowings. Accordingly the borrowings has decreased by Rs 49,85,641 as on 31st March 2021.

As per our report of even date attached
For G L N Prasad & Co. LLP
Chartered Accountants
Firm's registration number : 0151765/S200067



For and on behalf of the Board


YVS Vijay Kumar
Director
DIN: 03588223



Ch. Ramakrishna
Partner
Membership No: 226417




Jatindra Dighe
Chief Financial Officer


Divya Shetty
Company Secretary


Sundeep Chhabra
Director
DIN: 00240362

Hyderabad, Dated : 4th May 2022

UDIN: 22226417-AK S2C03164