

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 31st March, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence 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 Director's report, but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we will 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.
- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

BB
2

↓

Responsibilities of Management and Those Charged with Governance 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 skepticism throughout the audit. We also:

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

AB

7

- 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 financial controls 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.

Other Matter

The financial statements of the Company for the year ended 31st March, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 4th May, 2023.

Our opinion on the financial statements is not modified in respect of this matter.

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 except for, not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India (refer Note 36(i) to the financial statements), and for not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

VA
BB

2

**Deloitte
Haskins & Sells LLP**

- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) 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/payable by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 performed 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 (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Based on our examination, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2024 which is operated by a third-party software service provider. In the absence of an independent auditor's service organisation report covering the requirement of audit trail, we are unable to comment whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions, recorded in the software or whether there were any instances of the audit trail feature been tampered with (refer Note 36(ii) of the financial statements).

BB

5

Deloitte Haskins & Sells LLP

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31st March, 2024.

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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 17366W/W100018)



Sumit Trivedi 

Partner 

Membership No. 209354

 UDIN: 24209354BKKEEQS6983

Place: Hyderabad
Date: 3rd May, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to financial statements of **MLR AUTO LIMITED** ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

VA

BB

f

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2024, based on the criteria for internal financial control with reference to financial statements 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.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 117366W/W100018)



Sumit Trivedi
Partner

Membership No. 209354
UDIN: 24209354BKKEEQS6983

Place: Hyderabad
Date: 3rd May, 2024

↓

↓
BB

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 of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment and capital work-in-progress were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land, the original title deeds are lodged with another party. Based on the examination of photocopies of title deeds and other records, we report that title deeds are in the name of the Company (Refer footnote given in Note 4 of the financial statements).
- (d) The Company has not revalued any of its Property, Plant and Equipment and Intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in- transit, the goods have been received subsequent to the year end or confirmations have been obtained from the parties. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

BB

7

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company, have been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2024 on account of disputes are given below.

Name of the Statute	Nature of the Dues	Period to Which the Amount Relates	Forum where Dispute is Pending	Amount involved (in ₹ lakhs)	Amount unpaid (in ₹ lakhs)
Goods & Service Tax Act, 2017	Tax, Interest and penalty	FY 2017-18 to 2021-22	Appellate Authority	49.47	45.15

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or Government or any Government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(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) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (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 (x)(a) of the Order is not applicable.

(b) The Company has made private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, *prima facie*, applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

VI
BB

2

Deloitte Haskins & Sells LLP

- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, 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.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. 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 issued to the Company during the year and covering the period upto December 2023.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary companies or persons connected with such directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a,b,c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group, and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting to ₹ 2,673.36 lakhs during the financial year covered by our audit and ₹2,477.47 lakhs in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions (Refer Note 35 of financial statements), 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) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

VA
BB

f

**Deloitte
Haskins & Sells LLP**

(xxi)

The Company does not have any subsidiaries, associates and joint ventures requiring it to prepare consolidated financial statements. Accordingly, reporting under clause (xxi) of the Order is not applicable.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(F.R.N. 117366W/W100018)

Sumit Trivedi

Sumit Trivedi 

Partner 

Membership No. 209354

UDIN: 24209354BKKEEQS6983

Place: Hyderabad
Date: 3rd May 2024



MLR AUTO LIMITED

Financial Statements as at
31st March 2023

12/24

G L N PRASAD AND 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, 2023, 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, 2023 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

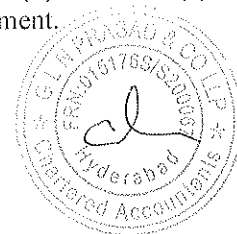
1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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;

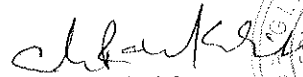
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded 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;

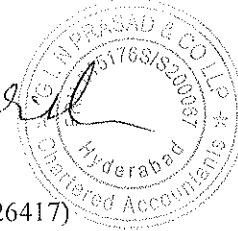
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.



- 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.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
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)


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



23226417BCW HOF6927

Place: Hyderabad
Date: 06-05-2023

**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, 2023 in conjunction with our audit of the 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.

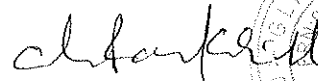
Inherent Limitations of Internal Financial Controls over Financial Reporting

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, 2023, 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)

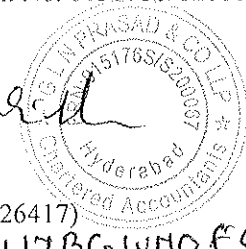


Ch. Ramakrishna

Partner

(Membership No. 226417)

UDIN: 23226417BCWNOF6927



Place: Hyderabad

Date: 04-05-2023

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:

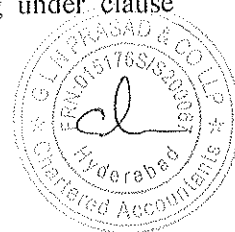
- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(ii) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) 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
 - (c) 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.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 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-IA 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: 2022-23	FY: 2021-22
Cash Losses Incurred during the year	(24,77,47,587)	(14,41,13,112)

- 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)



Ch. Ramakrishna

Partner

(Membership No. 226417)

UDIN: 23226417BGWMOF6927

Place: Hyderabad
Date: 04-05-2023

MLR AUTO LIMITED
Balance Sheet as at 31st March 2023
(Rupees)

	Note No.	As at 31st March 2023	As at 31st March 2022
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	11,83,57,664	12,84,48,040
(b) Capital work - in - progress		-	-
(c) Intangible assets	4A	86,19,388	3,33,885
(d) Intangible assets under development	4B	1,74,754	63,31,557
(e) Financial assets			
(i) Investments	5	12,500	12,500
(ii) Other financial assets	6A	21,87,864	20,18,028
(e) Income tax assets (Net)	7	2,15,292	5,27,544
(f) Other non - current assets	8A	2,78,13,943	1,38,61,403
Total non-current assets		15,73,81,405	15,15,32,957
2 Current assets			
(a) Inventories	9	8,13,69,365	5,67,29,528
(b) Financial assets			
(i) Trade receivables	10	43,27,421	47,52,679
(ii) Cash and cash equivalents	11	1,18,63,455	49,88,737
(iii) Other financial assets	6B	4,72,029	7,50,517
(c) Other current assets	8B	2,30,13,806	5,05,33,811
Total current assets		12,10,46,076	11,77,55,272
Total Assets		27,84,27,481	26,92,88,229
EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	12	72,35,39,330	72,35,39,330
(b) Other equity	13	(1,38,49,38,906)	(1,12,03,17,007)
Total Equity		(66,13,99,576)	(39,67,77,677)
LIABILITIES			
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14A	56,46,73,951	49,16,73,951
(ii) Other financial liabilities	15A	9,07,32,563	8,11,42,545
(b) Provisions	16A	22,52,735	19,86,140
Total non-current liabilities		65,76,59,249	57,48,02,636
3 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14B	6,50,00,000	-
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	18	56,63,063	2,42,652
- Total outstanding dues of creditor's other than micro enterprises and small enterprises		5,70,37,398	2,53,50,738
(iii) Other financial liabilities	15B	11,46,45,713	4,47,89,031
(b) Provisions	16B	40,04,884	36,17,610
(c) Other current liabilities	17	3,58,16,750	1,72,63,239
Total current liabilities		28,21,67,807	9,12,63,270
Total Equity and Liabilities		27,84,27,481	26,92,88,229

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

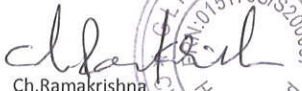
For and on behalf of the Board

 Nirmal NR

Chairman, CEO & Whole Time Director

DIN: 10039675

Place: Hyderabad


 Ch. Ramakrishna

Partner

Membership No: 226417

Place: Hyderabad


 Jatin Dighe


Chief Financial Officer

Place: Bangalore


 Ashish A Parmar

Company Secretary

Place: Bangalore


 Sundeep Chhabra

Director

DIN: 00240362

Place: Mumbai

 Hyderabad, Dated : 4th May 2023

UDIN : 23226417B6W10F6927



MLR AUTO LIMITED**Statement of Profit and Loss for the year ended 31st March 2023**

(Rupees)

	Note	Year ended 31st March 2023	Year ended 31st March 2022
I Revenue from operations	19	44,44,18,010	7,92,58,690
II Other income	20	85,19,076	1,04,28,407
III Total income (I + II)		45,29,37,086	8,96,87,097
IV Expenses			
Cost of materials consumed	21	40,39,72,827	7,40,65,651
Changes in inventories of finished goods, stock-in-trade and work-in progress	22	(2,37,39,734)	(77,82,961)
Employee benefits expense	23	8,33,76,432	3,81,52,005
Finance costs	24	7,51,50,917	4,57,21,412
Depreciation and amortisation expense	25	1,52,83,895	1,66,55,400
Other expenses	26	16,19,24,233	6,62,85,277
Total expenses		71,59,68,570	23,30,96,784
V Profit before exceptional items and tax		(26,30,31,484)	(14,34,09,686)
VI Exceptional items : (Income) /Expense	27	-	1,73,58,825
VII Profit before tax		(26,30,31,484)	(16,07,68,511)
VIII Tax expense			
Current tax		-	-
Deferred tax (credit) / charge		-	-
Total tax expenses		-	-
IX Profit for the year (VII - VIII)		(26,30,31,484)	(16,07,68,511)
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)		(26,30,31,484)	(16,07,68,511)
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans : (Gain)/Loss		(6,59,584)	94,394
Other comprehensive income for the year		(6,59,584)	94,394
XI Total Comprehensive income for the year (IX + X)		(26,23,71,900)	(16,08,62,905)

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

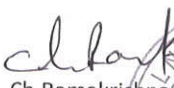
For and on behalf of the Board

Nirmal NR

Chairman, CEO & Whole Time Director

DIN: 10039675

Place: Hyderabad


Ch. Ramakrishna
Partner
Membership No: 226417
Place: Hyderabad


Jatindra Dighe
Chief Financial Officer
Place: Bangalore


Ashish A Parmar
Company Secretary
Place: Bangalore


Sundeep Chhabra
Director
DIN: 00240362
Place: Mumbai

Hyderabad, Dated : 4th May 2023

UDIN : 23226417BGWN0F6927




MLR AUTO LIMITED**Statement of cash flows for the year ended 31st March 2023**

(Rupees)

	Year ended 31st March 2023	Year ended 31st March 2022
Cash flows from operating activities		
Profit for the year (after tax)	(26,30,31,484)	(16,07,68,511)
Adjustments for:		
Finance costs	7,51,50,917	4,57,21,412
Interest income	(88,793)	(2,42,245)
Dividend income	-	(1,875)
Depreciation and amortisation expenses	1,52,83,895	1,66,55,400
Provision for Slow-moving Inventory	-	1,73,58,825
Provision for Non-Compete fee	2,00,00,000	-
Provision for Bad and doubtful debts written-back	(17,76,480)	(53,672)
Operating profit before working capital changes	(15,44,61,945)	(8,13,30,667)
<i>Adjustment for movements in working capital:</i>		
(Increase)/Decrease in Trade receivables	22,01,738	34,84,118
(Increase)/Decrease in Inventories	(2,46,39,837)	(4,02,49,253)
(Increase)/Decrease in Other assets	1,39,85,918	(2,90,64,789)
Increase/(Decrease) in Trade payables	3,71,07,071	(70,83,130)
Increase/(Decrease) in Provisions & Other liabilities	2,57,06,720	6,01,83,559
Cash generated from operations	(10,01,00,335)	(9,40,60,162)
Less: Income taxes paid	-	-
Net cash generated from operating activities (A)	(10,01,00,335)	(9,40,60,162)
Cash flows from investing activities		
Purchase of Property, plant and equipment	(44,42,001)	(78,76,326)
Purchase of intangible assets and Intangible assets under development	(36,78,104)	(2,08,600)
Receipt from sale of fixed assets	7,97,888	-
Dividend received	-	1,875
Interest received	91,245	6,68,995
Net cash generated (used in) / from investing activities (B)	(72,30,972)	(74,14,056)
Cash flows from financing activities		
Receipt from issue of shares	-	18,81,20,230
Borrowings received	13,80,00,000	11,94,01,406
Borrowings repaid	-	(15,82,24,507)
Payment of ROC fee for increase in Authorized capital	(22,50,000)	(18,40,007)
Payment for Interest	(2,15,43,974)	(4,10,21,557)
Net cash used in financing activities (C)	11,42,06,026	10,64,35,565
Net increase in cash and cash equivalents (A+B+C)	68,74,719	49,61,347
Cash and cash equivalents at the beginning of the year	49,88,737	27,390
Cash and cash equivalents at the end of the year	1,18,63,455	49,88,737

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


Ch. Ramakrishna
Partner
Membership No: 226417
Place: Hyderabad


Jatindra Dighe
Chief Financial Officer
Place: Bangalore


Ashish A Parmar
Company Secretary
Place: Bangalore


Nirmal NR
Chairman, CEO & Whole Time Director
DIN: 10039675
Place: Hyderabad


Sundeep Chhabra
Director
DIN: 00240362
Place: Mumbai

Hyderabad, Dated : 4th May 2023

UDIN: 23226417BGWNOF6927



MLR AUTO LIMITED

Statement of changes in equity for the year ended 31st March 2023

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
72,35,39,330	-	72,35,39,330	-	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	18,81,20,230	72,35,39,330

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 2022	14,11,17,289	19,70,97,858	-	(1,45,85,32,154)	(1,12,03,17,007)
Profit for the year				(26,30,31,484)	(26,30,31,484)
ROC Charges for Increase in Authorized capital		(22,50,000)		6,59,584	(22,50,000)
OCI for the period				6,59,584	6,59,584
Closing balance as at 31st March 2023	14,11,17,289	19,48,47,858	-	(1,72,09,04,053)	(1,38,49,38,907)

(2) Previous reporting period

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)		(94,394)	(18,40,007)
Balance as at 31st March 2022	14,11,17,289	19,70,97,858	-	(1,45,85,32,154)	(94,394)

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

For and on behalf of the Board

Nirmal NR
Nirmal NR
Chairman, CEO & Whole Time Director
DIN: 10039675
Place: Hyderabad

Ch. Ramakrishna
Ch. Ramakrishna
Partner
Membership No: 226417
Place: Hyderabad



Ashish A Parmar
Ashish A Parmar
Company Secretary
Place: Bangalore

Sundeep Chhabra
Sundeep Chhabra
Director
DIN: 00240362
Place: Mumbai



Hyderabad, Dated : 4th May 2023

UDIN: 2322641706WMOF6927

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 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.

1.2 Going Concern

The Company has incurred losses in the current and previous financial years and has negative net worth of Rs. 66,13,99,575 as at 31st March, 2023, and the current liabilities exceed current assets by Rs. 15,95,52,160. 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 financial year 2021-22, 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)

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 except for defined benefit plans. 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.

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



Notes to financial statements (continued)

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

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. Expenditure incurred for intangible development which are revenue in nature are charged to Profit & loss account when incurred.

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.



Notes to financial statements (continued)

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

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.

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.



Notes to financial statements (continued)

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

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.

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.



Notes to financial statements (continued)

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

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.

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



Notes to financial statements (continued)

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

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.

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



Notes to financial statements (continued)

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

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 2023

4 - Property, plant and equipment

(Rupees)

Particulars	Freehold		Plant & Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total Property, plant and equipment
	Land	Buildings					
Original Cost:-							
At 31st March 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 31st March 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
Additions	-	-	22,71,083	9,77,075	-	11,93,843	44,42,001
Disposals	-	-	(1,86,20,455)	-	-	-	(1,86,20,455)
At 31st March 2023	2,87,48,985	4,62,17,516	5,90,62,289	(2,89,736)	3,43,137	16,56,216	13,57,38,407
Depreciation/Amortization							
At 31st March 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	1,65,32,604
Disposals	-	-	(16,06,047)	(14,65,406)	(1,62,500)	(30,87,075)	(63,21,028)
At 31st March 2022	-	19,15,126	2,28,25,396	(14,03,837)	84,678	(19,52,542)	2,14,68,821
Charge for the year	-	40,27,685	86,60,373	3,30,701	56,835	6,58,896	1,37,34,490
Disposals	-	-	(1,78,22,567)	-	-	-	(1,78,22,567)
At 31st March 2023	-	59,42,811	1,36,63,202	(10,73,136)	1,41,513	(12,93,646)	1,73,80,744
Net book value :-							
At 31st March 2022	2,87,48,985	4,43,02,390	5,25,86,265	1,37,026	2,58,459	24,14,915	12,84,48,040
At 31st March 2023	2,87,48,985	4,02,74,705	4,53,99,087	7,83,400	2,01,624	29,49,862	11,83,57,664

4A - Intangible assets

Particulars	Computer software	New Product Development	Total Intangible assets
Original Cost :-			
At 31st March 2021	4,43,614	-	4,43,614
Additions	2,08,600	-	2,08,600
Disposals	-	-	-
At 31st March 2022	6,52,214	-	6,52,214
Additions	-	98,34,907	98,34,907
Disposals	-	-	-
At 31st March 2023	6,52,214	98,34,907	1,04,87,121
Accumulated amortization :-			
At 31st March 2021	1,95,532	-	1,95,532
Charge for the year	1,22,797	-	1,22,797
Disposals	-	-	-
At 31st March 2022	3,18,329	-	3,18,329
Charge for the year	1,01,562	14,47,842	15,49,404
Disposals	-	-	-
At 31st March 2023	4,19,891	14,47,842	18,67,733
Net book value :-			
At 31st March 2022	3,33,885	-	3,33,885
At 31st March 2023	2,32,323	83,87,065	86,19,388

4B. Intangibles under development :-

At 31st March 2022	63,31,557
At 31st March 2023	1,74,754

Ageing of CWIP :-

Particulars	Amount in CWIP for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2023					
i. Projects in progress	1,74,754	-	-	-	1,74,754
ii. Projects temporarily suspended	-	-	-	-	-
As at 31st March 2022					
i. Projects in progress	63,31,557	-	-	-	63,31,557
ii. Projects temporarily suspended	-	-	-	-	-



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

5 - Investments

(Rupees)

Particulars	As at 31st March 2023		As at 31st March 2022	
	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
*Aggregate carrying value of unquoted investments		12,500		12,500



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

6 - Other financial assets

(Rupees)

	Particulars	As at 31st March 2023	As at 31st March 2022
6A	Non-current		
	Security deposits	21,87,864	20,18,028
	Non-current total	21,87,864	20,18,028
6B	Current		
	Interest receivable	57,670	60,122
	Staff advances	4,14,359	6,90,396
	Current total	4,72,029	7,50,517
	Total	26,59,893	27,68,545

7 - Income tax assets (Net)

(Rupees)

	Particulars	As at 31st March 2023	As at 31st March 2022
	Income Tax Asset (Net)	2,15,292	5,27,544
	Total	2,15,292	5,27,544



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2023****8 - Other assets****(Rupees)**

	Particulars	As at 31st March 2023	As at 31st March 2022
8A	Non-current		
	Capital advances	2,78,13,943	1,38,61,403
	Non-current total	2,78,13,943	1,38,61,403
8B	Current		
	Deposit with Greaves Electric Mobility Private Limited	-	3,16,20,220
	Advances to suppliers	42,76,056	53,66,020
	Prepaid expenses	12,65,997	16,51,880
	Balances with Govt Authorities	1,74,71,753	1,18,95,690
	Current total	2,30,13,806	5,05,33,811
	Total	5,08,27,749	6,43,95,214

9 - Inventories**(Rupees)**

	Particulars	As at 31st March 2023	As at 31st March 2022
	Inventories (lower of cost and net realisable value)		
	Raw materials	4,00,50,299	5,11,15,781
	Work-in-progress	51,00,104	56,50,843
	Finished goods	3,73,49,095	1,30,58,622
	Provision/writeoff for slow & non-moving inventory #	(11,30,133)	(1,30,95,718)
	Total	8,13,69,365	5,67,29,528

Note: # During the previous 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 2023****10 - Trade receivables**

(Rupees)

Particulars	As at	As at
	31st March 2023	31st March 2022
Trade receivables considered good - Secured*	-	20,94,152
Trade receivables considered good - Unsecured	43,27,421	26,58,527
Trade receivables - credit impaired/doubtful	5,07,40,101	5,37,82,262
Allowance for doubtful debts (expected credit loss allowance)	(5,07,40,101)	(5,37,82,262)
	43,27,421	47,52,679

* 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.

Trade Receivables ageing schedule as at 31st March 2023

(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	1,67,076	22,72,695	4,10,544	14,65,376	11,729	43,27,421
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good	-	-	27,77,579	7,84,004	4,71,78,519	5,07,40,101
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	1,67,076	22,72,695	31,88,123	22,49,380	4,71,90,248	5,50,67,522

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

11 - Cash and cash equivalents

(Rupees)

Particulars	As at	As at
	31st March 2023	31st March 2022
Cash on hand	4,397	28,956
Balances with banks :		
In current accounts	1,18,59,058	49,59,780
	1,18,63,455	49,88,737



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2023****12 - Equity share capital**

(Rupees)

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised 10,00,00,000 Equity shares of Rs. 10 each (previous year 7,50,00,000 Equity shares of Rs. 10 each)	1,00,00,00,000	75,00,00,000
Issued, subscribed and fully paid up 7,23,53,933 Equity shares of Rs. 10 each (previous year 7,23,53,933 Equity shares of Rs. 10 each)	72,35,39,330	72,35,39,330
	72,35,39,330	72,35,39,330

As at 31st March 2023			
Particulars	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			
<u>Fully paid equity shares</u>			
Greaves Electric Mobility Private Limited	1,88,12,023	26.0%	
Ashish Kacholia	1,31,01,240	18.1%	
Param Capital Research Private Limited	86,63,950	12.0%	
Bengal Finance Investment Private Limited	36,95,650	5.1%	

As at 31st March 2022			
Particulars	Number of shares held in the Company	Percentage of shares held	
Shares in the Company held by each shareholder holding more than 5% shares			
<u>Fully paid equity shares</u>			
Greaves Electric Mobility Private Limited	1,88,12,023	26.0%	
Ashish Kacholia	1,31,01,240	18.1%	
Param Capital Research Private Limited	86,63,950	12.0%	
Bengal Finance Investment Private Limited	36,95,650	5.1%	

12B Terms / Rights attached to equity shares

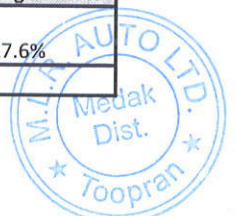
- The Company has only one class of equity shares having face value of Rs. 10 per share. The equity shares rank pari passu in all respects including voting rights and entitlement of dividend.
- In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining 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 23**

S. No.	Promoter Name	Number of shares held in the Company	Percentage of total shares
1.	M.Lokeswara Rao & Family	1,27,62,500	17.6%

Shares held by promoters as at 31st March 22

S. No.	Promoter Name	Number of shares held	Percentage of total
1.	M.Lokeswara Rao & Family	1,27,62,500	17.6%



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

13 - Other equity

(Rupees)

Particulars	As at 31st March 2023	As at 31st March 2022
Reserves and surplus		
Securities premium (Refer note 1 below)	19,48,47,858	19,70,97,858
General reserve (Refer note 2 below)	14,11,17,289	14,11,17,289
Retained earnings*	(1,72,09,04,053)	(1,45,85,32,154)
	(1,38,49,38,906)	(1,12,03,17,007)

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 31st March 2023	As at 31st March 2022
14A Non-current		
a. Secured		
Term Loan From Greaves Finance Limited (i)	3,50,00,000	6,50,00,000
Term Loan From Greaves Electric Mobility Private Limited (ii)	10,30,00,000	-
Total secured	13,80,00,000	6,50,00,000
b. Unsecured		
From Directors and Body Corporates (iii)	42,66,73,951	42,66,73,951
Total unsecured	42,66,73,951	42,66,73,951
Total	56,46,73,951	49,16,73,951
14B c. Current Secured		
Term Loan From Greaves Finance Limited (i)	6,50,00,000	-
Total secured	6,50,00,000	-
Grand Total	62,96,73,951	49,16,73,951

(i)

a) Security Details:

During the year, the Company took loan from Greaves Finance Limited (GFL) Rs. 3.5 Cr (P.Y Rs. 6.5 Cr) 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.

b) Purpose of loan : For repayment of High cost debts and Working capital.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

c) Terms of Repayment of Secured Loans

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

(ii)

a) Security Details:

During the year, the Company took loan from Greaves Electric Mobility Private Limited (GEMPL) and a charge is being created in favour of GEMPL 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. Rank pari pasu with GFL.

b) Purpose of loan : For Working capital and Capital expenditures purposes.

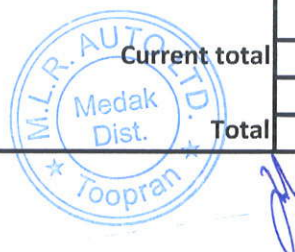
c) Terms of Repayment of Secured Loans

Loan	Sanction Date	Rate of Interest	Repayment detail
Term Loan	03-08-2022	SBI PLR	After 2 Years from disbursal date

(iii) During the financial year 2021-22, 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 after 3 years.

15 - Other financial liabilities**(Rupees)**

	Particulars	As at 31st March 2023	As at 31st March 2022
15A	Non-Current		
	Trade advance	7,50,88,681	7,50,88,681
	Deposits from dealers	1,46,02,122	49,02,004
	Capital creditors	10,41,760	11,51,860
	Non-Current total	9,07,32,563	8,11,42,545
15B	Current		
	Employee benefits payable	1,62,44,076	75,19,898
	Interest accrued and due on borrowings	19,04,585	1,89,554
	Interest accrued, but not due on borrowings	7,85,09,527	2,66,17,615
	Other payable	1,79,87,525	1,04,61,964
	Current total	11,46,45,713	4,47,89,031
	Total	20,53,78,276	12,59,31,576



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

16 - Provisions

(Rupees)

	Particulars	As at 31st March 2023	As at 31st March 2022
16A	Non-current		
	Provision for employee benefits		
	Compensated absences	7,40,986	4,31,008
	Gratuity	15,11,749	15,55,132
	Non-current total	22,52,735	19,86,140
16B	Current		
	Provision for employee benefits		
	Compensated absences	19,27,299	16,50,476
	Gratuity	5,08,011	15,30,647
	Provision for warranty	15,69,574	4,36,487
	Current total	40,04,884	36,17,610
	Total	62,57,619	56,03,750

Movement in Provision for Warranty

Particulars	As at 31st March 2023	As at 31st March 2022
Opening balance	4,36,487	3,87,900
Add: Provision recognised during the year	19,51,704	3,83,400
Less: Amount utilised during the year	(8,18,617)	(3,34,813)
Closing balance	15,69,574	4,36,487

17 - Other liabilities

(Rupees)

	Particulars	As at 31st March 2023	As at 31st March 2022
	Current		
	Advances from customers	2,40,95,745	1,03,45,012
	Statutory dues	77,61,419	43,51,727
	Marketings schemes payable	39,59,586	25,66,500
	Current total	3,58,16,750	1,72,63,239
	Total	3,58,16,750	1,72,63,239



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

18 - Trade payables

(Rupees)

Particulars	As at	As at
	31st March 2023	31st March 2022
Trade payables		
Due to micro enterprises and small enterprises*	56,63,063	2,42,652
Other than micro enterprises and small enterprises	5,70,37,398	2,53,50,738
	6,27,00,461	2,55,93,390

* The information as required to be disclosed under

Particulars	As at	As at
	31st March 2023	31st March 2022
Principal amount and interest due:		
Principal amount	56,63,063	2,42,652
Interest due	16,30,967	10,45,755
Interest paid by buyer in terms of section 16 of MSMED Act, 2006	-	-
Amount paid beyond the appointed day	2,27,64,249	2,45,65,010
Interest due and payable to supplier, for payment already made under MSMED Act	16,30,967	10,45,755
Amount of Interest accrued and remaining unpaid at the end of each accounting year	16,30,967	10,45,755
Amount of further interest remaining due and payable even in succeeding years	16,30,967	10,45,755

Trade Payables aging schedule as at 31st March 2023

(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	56,63,063	-	-	-	56,63,063
(ii) Others	5,61,87,694	3,66,582	4,83,121	-	5,70,37,398
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-
	6,18,50,757	3,66,582	4,83,121	-	6,27,00,461

Trade Payables aging schedule as at 31st March 2022

(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



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2023****19 - Revenue from operations**

(Rupees)

Particulars	Year ended	Year ended
	31st March 2023	31st March 2022
Sale of products		
(i) Finished goods	44,01,22,123	7,82,92,117
(ii) Spares	42,95,887	9,66,573
	44,44,18,010	7,92,58,690

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	Year ended
	31st March 2023	31st March 2022
Interest income	88,793	2,42,245
Dividend income	-	1,875
Amounts no longer payable	23,28,345	98,26,649
Excess Provision Written Off	-	2,54,225
Recovery from Allowance for doubtful debts	17,76,480	53,672
Scrap sales	43,20,983	37,689
Miscellaneous income	4,475	12,052
	85,19,076	1,04,28,407

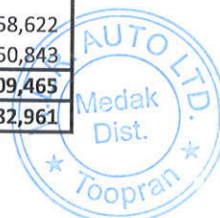
21 - Cost of materials consumed

(Rupees)

Particulars	Year ended	Year ended
	31st March 2023	31st March 2022
Raw materials consumed		
Opening stock	5,11,15,781	2,29,12,596
Purchases	40,60,03,063	10,22,68,836
Less : Closing stock	4,00,50,299	5,11,15,781
Less: Reversal of Inventory provision	(1,30,95,718)	-
	40,39,72,827	7,40,65,651

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

Particulars	Year ended	Year ended
	31st March 2023	31st March 2022
Opening inventories		
Finished goods	1,30,58,622	60,87,000
Work-in-progress	56,50,843	48,39,504
	1,87,09,465	1,09,26,504
Closing inventories		
Finished goods	3,73,49,095	1,30,58,622
Work-in-progress	51,00,104	56,50,843
	4,24,49,199	1,87,09,465
Increase/(Decrease) in Inventories	2,37,39,734	77,82,961



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2023****23 - Employee benefits expense**

(Rupees)

Particulars	Year ended	
	31st March 2023	31st March 2022
Salaries and wages	7,19,43,988	3,12,25,300
Contribution to provident funds and other funds	39,16,690	19,69,443
Staff welfare expenses	75,15,754	49,57,262
	8,33,76,432	3,81,52,005

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

The amount recognised as an expense during the year ended 31st March 2023 towards Provident Fund (including admin charges), ESIC contribution and Superannuation & National Pension Scheme is Rs. 31.67 Lacs (previous year Rs. 16.19 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	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan obligation is calculated with reference to the published rates under the Indian Assured Lives Mortality (2006-08) Ult table. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries taking into account the inflation, seniority, promotion and other relevant factors.

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

Particulars	Valuation as at	
	As at 31st March 2023	As at 31st March 2022
Discount rate(s)	5.60%	7.30%
Expected rate(s) of salary increase	7.00%	7.00%



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2023**

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows:		
Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Service cost:		
Current service cost	4,83,533	3,88,836
Past service cost and gain from settlements	-	-
Interest on net defined benefit asset	1,29,946	1,45,992
Components of defined benefit costs recognised in profit or loss during the year	6,13,479	5,34,828
Opening amount recognised in other comprehensive income :	94,394	-
Re-measurement during the year due to:		
Changes in financial assumptions	(1,35,811)	(41,288)
Changes in demographic assumptions	-	(1,08,551)
Experience adjustments	(5,23,773)	-
Actual return on plan assets less interest on plan assets		
Closing amount recognised in other comprehensive income :	(5,65,190)	94,934
Components of defined benefit (income) / cost recognised in other comprehensive income during the year	(5,65,190)	94,934

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 2023	As at 31st March 2022
Opening net defined benefit liability/(asset)	30,85,779	24,56,557
Expenses charged to profit & loss account	6,13,479	5,34,828
Amount recognized outside profit & loss account	(6,59,584)	94,394
Employer contributions	(10,19,914)	-
Impact of liability assumed or (settled)	-	-
Closing net defined benefit liability/(asset)	20,19,760	30,85,779

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

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Opening defined benefit obligation	30,85,779	24,56,557
Current service cost	4,83,533	3,88,835
Past service cost	-	-
Interest on defined benefit obligation	1,29,946	1,45,992
Re-measurement due to:		
Actuarial (gains) / losses arising from changes in financial assumptions	(1,35,811)	2,44,773
Actuarial (gains) / losses arising from changes in demographic assumptions	-	(41,828)
Actuarial (gains) / losses arising from experience changes	(5,23,773)	(1,08,551)
Benefits paid	(10,19,914)	-
Closing defined benefit obligation	20,19,760	30,85,778

Movements in the fair value of the plan assets are as follows:

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Opening fair value of plan assets	-	-
Employer contributions	10,19,914	-
Interest income	-	-
Re-measurement gain / (loss):		
Return on plan assets (excluding amounts included in net interest expense)	-	-
Contributions from the employer	-	-
Benefits paid	(10,19,914)	-
Closing fair value of plan assets	-	-



[Handwritten signature]

MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

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 2023
	Discount rate
Impact of increase in 50 bps on DBO	-1.82%
Impact of decrease in 50 bps on DBO	1.89%

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 3.71 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	Rs.
Expected benefits for year 1 to 3	14,12,736
Expected benefits for year 4 and 5	3,38,204
Expected benefits for year 6 and above	10,10,897



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2023****24 - Finance costs**

(Rupees)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Interest expenses :-		
Interest on Unsecured loans	5,76,57,680	3,79,21,439
Interest on Secured loans	1,69,08,025	54,59,800
Interest on Working capital	-	12,94,418
Interest on MSME delayed payments	5,85,212	10,45,755
Total	7,51,50,917	4,57,21,412

25 - Depreciation and amortisation expense

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation of property, plant and equipment (Note 4)	1,37,34,491	1,65,32,603
Amortisation of intangible assets (Note 4A)	15,49,404	1,22,797
Total	1,52,83,895	1,66,55,400

26 - Other expenses

(Rupees)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Contract labor charges	2,27,48,299	1,02,46,589
Power and fuel	1,37,28,735	61,59,094
Testing charges	15,67,660	11,98,225
Repairs and Maintenance	60,89,752	21,70,000
Rent	1,35,000	6,10,000
Rates and Taxes	23,02,513	36,94,672
Bank Charges	1,214	8,51,427
Insurance	2,20,826	5,41,666
Travelling and Conveyance	1,22,08,818	40,19,336
Printing and Stationery	2,26,789	71,987
Postage and Telephones	3,39,815	4,27,839
Vehicles Maintenance	4,82,294	4,49,341
Legal & Professional Charges	1,41,62,253	1,52,62,841
Auditor's Remuneration :-		
Statutory & Tax audit fee	3,45,000	3,25,000
Internal audit fee	15,00,000	7,50,000
Marketing Expenses	2,57,08,428	43,45,759
Warranty & PDI expense	27,95,909	6,74,770
Directors Sitting fee	3,90,000	2,60,000
Recruitment Expenses	4,90,821	10,86,720
Non-competee fee	2,00,00,000	-
Bad debt	12,65,680	
Less: Allowance for doubtful debts (provision)	(12,65,680)	
Provision for Doubtful advances	2,89,558	1,12,66,744
Deposit towards contracted business support services written-off	3,16,20,220	-
Software Renewal	11,05,863	3,84,252
Miscellaneous Expenses	34,64,466	14,89,014
Total	16,19,24,233	6,62,85,277

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
26A Auditor's Remuneration include:		
Auditors' remuneration and expenses		
Statutory audit fees	2,70,000	2,50,000
Payments to tax auditors		
Tax audit fees	75,000	75,000

27 - Exceptional items

(Rupees)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
(i) Provision for Slow-moving inventory	-	1,73,58,825
Exceptional items (net)	-	1,73,58,825

Note: 1 During the year, company has indentified 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 2023****28 - Earnings per share****(Rupees)**

	Particulars	Year ended 31st March 2023	Year ended 31st March 2022
	Profit for the year	(26,30,31,484)	(16,07,68,511)
	Weighted average number of equity shares outstanding	7,23,53,933	6,18,91,356
	Basic earnings per share	(3.64)	(2.60)



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

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 19th October 2021
B. Kishore Babu	Director till 19th October 2021
MLR Motors Limited	
Lokesh Machines Limited	

29B Name of related concerns/enterprises :

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

29C Key management personnel :

M.Lokeshwara Rao	Director till 19th October 2021
B. Kishore Babu	Director till 19th October 2021
Sundeep R. Chhabra	Director
Sanjeev Ponnusamy	Wholetime director from 20th Oct 2021 to 20th April 2022
Jatindra Dighe	Chief Financial Officer
M.Ravi Kumar	Chief Financial Officer till 19th October 2021
YVS Vijay Kumar	Chief Executive Officer from 21st Apr 2022 to 16th Jan 2023
Nirmal NR	Chief Executive Officer from 24th March 2023 onwards

29D Relatives of Key management personnel :

M.Likhitha

II.

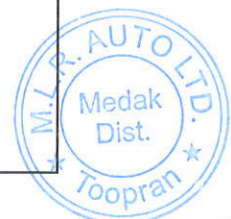
29E Transactions with related parties :

The following transactions occurred with the related parties:

(Rupees)

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
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	10,45,89,306	2,07,70,162
Rendering of services/Reimbursement of expenses - Availed		
Greaves Electric Mobility Private Limited #	3,99,97,199	15,89,606
Greaves Cotton Limited	51,02,610	6,78,286
Greaves Technologies Limited	2,04,000	-
Jatindra Dighe	41,22,712	1,06,372
M.L.R Motors Ltd	-	6,61,923
Unsecured Loans :		
M.Lokeshwara Rao	-	1,19,25,000
Raushee Investments	-	10,00,000
Secured Loans :		
Greaves Finance Limited	3,50,00,000	6,50,00,000
Greaves Electric Mobility Private Limited	10,30,00,000	-
Repayment of Loan :		
M.Lokeshwara Rao	-	5,91,25,473
Non-Refundable deposit :		
Greaves Electric Mobility Private Limited	-	3,16,20,220
Trade advance :		
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	53,51,979	20,79,693
Lokesh Machines Limited	35,70,650	14,46,111
B. Kishore Babu	8,10,797	1,46,400
M.Likhitha	3,40,130	1,37,753
Interest on Secured Loans :		
Greaves Finance Limited	1,18,42,461	2,10,616
Greaves Electric Mobility Private Limited	50,65,564	-
Subvention expenses :		
Greaves Finance Limited	46,50,000	-
Rendering of services/Reimbursement of expenses - Provided		
Greaves Electric Mobility Private Limited	21,03,125	-
Non-Compete fee		
M.Lokeshwara Rao	2,00,00,000	-
Development charges		
Greaves Cotton Limited	50,00,000	-
Other transactions		
Sitting fees paid		
Raja Venkataraman	2,10,000	1,30,000
Meda Pandurangasetty Shyam	1,80,000	1,30,000

Includes Non-refundable deposit written-off of Rs 3,16,20,220/.



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2023**

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 2023	31st March 2022	31st March 2023	31st March 2022
Greaves Cotton Limited	2,52,675	3,16,364	2,40,48,891	87,60,388
Greaves Electric Mobility Private Limited	11,99,349	3,16,20,220	11,23,08,983	69,98,885
Greaves Finance Limited			10,16,04,679	6,52,10,616
Greaves Technologies Limited			2,20,320	-
Lokesh Machines Limited			3,09,38,337	2,77,24,752
Raushee Investments			5,21,93,269	3,98,71,724
M.Lokeshwara Rao			1,22,02,138	1,22,02,138
B. Kishore Babu			68,61,477	61,31,760
Jatindra Dighe			5,40,000	4,36,109
M.Likhitha			29,47,095	26,40,978

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 2023	31st March 2022
Sanjeev Ponnusamy *	-	6,83,592
YVS Vijay Kumar	1,30,67,437	-
Nirmal NR	29,82,294	-
Jatindra Dighe	40,53,969	21,30,550
M. Ravi Kumar	-	9,95,000
	2,01,03,700	38,09,142

* Remuneration is paid through GEMPL by way of Cross Charge.



(Handwritten signature)

MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

30 - Contingent liabilities

(Rupees)

Particulars	As at 31st March 2023	As at 31st March 2022
Delayed payment of TDS demands	13,64,940	13,50,623

31 - Commitments

Particulars	As at 31st March 2023	As at 31st March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	3,64,48,898	72,57,926

32 - Operating lease arrangements
Payments recognised as an expense

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Minimum lease payments :- Rented premises	1,35,000	6,10,000

33 - Expenditure on research and development

Particulars	As at 31st March 2023	As at 31st March 2022
a) Revenue expenditure charged to Statement of profit and loss	37,77,491	18,54,084
b) Capital expenditure	1,74,754	13,31,557
	39,52,245	31,85,641

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

(Rupees)

Particulars	For the year ended 31st March 2023		For the year ended 31st March 2022	
	% of Total Consumption	Amount Rs/.	% of Total Consumption	Amount Rs/.
Raw Materials :-				
Imported	0%	-	0%	-
Indigenously obtained	100%	40,39,72,827	100%	7,74,98,189
	100%	40,39,72,827	100%	7,74,98,189

35 - Financial instruments
35.1 Capital management :

The Company's manages its capital to ensure that it will be able to continue as a going concern while maximizing the value for shareholders.

35.2 Categories of financial instruments :

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in accounting policies. (Refer significant accounting policy note no 2.15, 2.16)

Particulars	As at 31st March 2023	As at 31st March 2022
Financial assets * :-		
Investments	12,500	12,500
Others financial assets - non current	21,87,864	20,18,028
Trade receivables	43,27,421	47,52,679
Cash and cash equivalents	1,18,63,455	49,88,737
Others financial assets - current	2,34,85,834	5,12,84,328
Total financial assets measured at amortised cost	4,18,77,075	6,30,56,272
Financial liabilities * :-		
Borrowings	62,96,73,951	49,16,73,951
Trade payables	6,27,00,461	2,55,93,390
Others financial liabilities - current	15,44,67,347	6,56,69,880
Others financial liabilities - non current	9,29,85,298	8,31,28,685
Total financial assets measured at amortised cost	93,98,27,056	66,60,65,906



* The Management considers carrying amount of financials assets and financial liabilities in the financial statements as approximate fair values of respective financial assets and liabilities.

MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

35.3 - Financial and liquidity risk management objectives :

- The average payment terms of creditors (trade payables) is in the range of 30-60 days. In case of MSMED creditors the payment terms are within 45 days. Other financial liabilities viz. employee payments, other payables within one year.
- The company has a policy of advance collection for its sales.

35.4 - Foreign currency risk management :

The company has no direct foreign currency exposure for its purchases or sales. Hence, no foreign currency risk.

35.5 - Credit risk management :

The company has a policy of advance collection for its sales.

35.6 Interest rate risk :

The Company's has borrowing from the associate companies, directors and body corporates. As at 31st March 2023, the Company is exposed to variable interest rates such as SBI PLR.

35.7 Liquidity risk :

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2023, 31st March 2022

Particulars	As at	Less than 1 year	1-2 years	2 years and above	Total
Borrowings	31st March 2023	6,50,00,000	13,80,00,000	42,66,73,951	62,96,73,951
	31st March 2022	-	6,50,00,000	42,66,73,951	49,16,73,951

35.8 Capital management :

The Company is predominantly debt financed.

36 - Ratios

Particulars	Numerator	Denominator	FY 2023	FY 2022	% Variance	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	0.43	1.29	-67%	Reclassification of borrowings due to re-negotiation of payment terms
(b) Debt-Equity Ratio *	Debt	Equity	NA	NA		
(c) Debt Service Coverage Ratio	EBITDA	Interest + Principal	-0.26	-0.18	-45%	Due to higher borrowing and negative EBITDA
(d) Return on Equity Ratio *	PAT	Average equity	NA	NA		
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	5.51	1.46	276%	Due to increase in inventory.
(f) Trade Receivables turnover ratio	Net sales	Average trade receivable	97.89	12.25	699%	Due to Increase in turnover
(g) Trade payables turnover ratio	Net Purchases	Average trade payable	9.20	3.51	162%	Due to Increase in Trade payable
(h) Net capital turnover ratio	Net sales	Working capital	-2.76	2.99	-192%	Due to negative working capital
(i) Net profit ratio	PAT	Net sales	-59%	-203%	-71%	Due to improvement in operations
(j) Return on Capital employed *	EBIT	Average capital employed	NA	NA		
(k) Return on investment *	PAT	Average equity	NA	NA		

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

37 - Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off u/s 248(5) of the Companies Act, 2013.
- As on March 31, 2023, there is a delay in creation of charges against the secured loans taken by the Company from Greaves Finance Limited and Greaves Electric Mobility Private Limited due to non-execution of charge related documents between the Parties as the Title Deeds of lands of the Company's plant was not released by the TSIC. The Company is using its best efforts and working in close co-ordination with the TSIC for release of the aforesaid title deeds and execute the necessary charge related documents and its filling with the MCA.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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 to or on behalf of the Ultimate Beneficiaries



[Handwritten signature]

MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2023

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

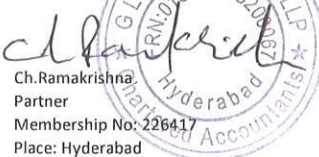
(vii) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.


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

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


Nirmal NR
Chairman, CEO & Whole Time Director
DIN: 10039675
Place: Hyderabad


Ch. Ramakrishna
Partner
Membership No: 226417
Place: Hyderabad


Jatindra Dighe
Chief Financial Officer
Place: Bangalore


Ashish A Parmar
Company Secretary
Place: Bangalore


Sundeep Chhabra
Director
DIN: 00240362
Place: Mumbai

Hyderabad, Dated : 4th May 2023

UDIN: 232-26417BGWNOF6927

