

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'.

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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.

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- 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.

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- 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).

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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.

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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





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.

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(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.

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- (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.

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(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 2024

MLR AUTO LIMITED
Balance Sheet as at 31st March 2024

(Rs. in Lakhs)

	Note No.	As at 31st March 2024	As at 31st March 2023
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	4	1,301.48	1,183.59
(b) Capital work-in-progress	4B	3.96	-
(c) Intangible assets	4A	854.77	86.20
(d) Intangible assets under development	4C	11.55	1.74
(e) Financial assets			
(i) Investments	5	-	0.13
(ii) Other financial assets	6A	23.57	21.88
(f) Other non-current assets	7A	259.80	280.29
Total non-current assets		2,455.13	1,573.83
2 Current assets			
(a) Inventories	8	1,245.81	813.69
(b) Financial assets			
(i) Trade receivables	9	71.52	43.27
(ii) Cash and cash equivalents	10	348.26	118.63
(iii) Other financial assets	6B	330.18	4.72
(c) Other current assets	7B	308.54	230.14
Total current assets		2,304.31	1,210.45
Total Assets		4,759.44	2,784.28
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	8,740.39	7,235.39
(b) Other equity	12	(16,448.21)	(13,849.39)
Total Equity		(7,707.82)	(6,614.00)
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13A	1,300.00	5,646.74
(ii) Other financial liabilities	14A	46.00	907.33
(b) Provisions	15A	37.75	22.53
Total non-current liabilities		1,383.75	6,576.60
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13B	5,296.74	650.00
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	17	525.51	56.63
- Total outstanding dues of creditor's other than micro enterprises and small enterprises		1,973.45	570.37
(iii) Other financial liabilities	14B	2,797.74	1,146.46
(b) Provisions	15B	134.24	40.05
(c) Other current liabilities	16	355.83	358.17
Total current liabilities		11,083.51	2,821.68
Total liabilities		12,467.26	9,398.28
Total Equity and Liabilities		4,759.44	2,784.28

See accompanying notes to the financial statements

As per our report attached
 For Deloitte Haskins & Sells LLP
 Chartered Accountants

Sumit Trivedi

Sumit Trivedi
 Partner
 Hyderabad
 Date: 3rd May 2024



K Vijaya Kumar
 Chairman
 DIN: 06630397
 Bangalore
 Date: 30th April 2024

Jatindra Dighe
 Chief Financial Officer
 Hyderabad
 Date: 30th April 2024

For and on behalf of Board of Directors

Nirmal NR
 Wholetime Director & CEO
 DIN: 10039675
 Bangalore
 Date: 30th April 2024

Saurabh Jain
 Company Secretary
 Hyderabad
 Date: 30th April 2024

MLR AUTO LIMITED

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

(Rs. In Lakhs)

	Note	Year ended 31st March 2024	Year ended 31st March 2023
Income			
I Revenue from operations	18	8,622.59	4,444.18
II Other income	19	27.90	85.18
III Total Income (I + II)		8,650.49	4,529.36
Expenses			
IV Cost of materials consumed	20	7,255.39	4,039.73
Changes in inventories of finished goods and work-in progress	21	39.70	(237.39)
Employee benefits expense	22	983.34	833.76
Finance costs	23	853.65	751.51
Depreciation and amortisation expense	24	294.92	152.83
Other expenses	25	2,189.64	1,619.24
Total expenses (IV)		11,616.64	7,159.68
V Loss before exceptional items and tax (III-IV)		(2,966.15)	(2,630.32)
VI Exceptional items	26	(375.44)	-
VII Loss before tax (V-VI)		(2,590.71)	(2,630.32)
VIII Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense (VIII)		-	-
IX Loss for the year (VII - VIII)		(2,590.71)	(2,630.32)
X Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		8.11	(6.60)
Other comprehensive income/(loss) for the year (X)		8.11	(6.60)
XI Total Comprehensive loss for the year (IX + X)		(2,598.82)	(2,623.72)
XII Earnings per equity share (EPS) :	29		
A. Equity shares of Rs. 10 each			
Basic		(3.03)	(3.64)
Diluted		(3.03)	(3.64)
B. Class A Equity shares of Rs. 1 each			
Basic		(0.30)	-
Diluted		(0.30)	-
See accompanying notes to the financial statements			

As per our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of Board of Directors

Sumit Trivedi

Sumit Trivedi
Partner
Hyderabad
Date: 3rd May 2024



K Vijaya Kumar

K Vijaya Kumar
Chairman
DIN: 06630397
Bangalore
Date: 30th April 2024

Jatindra Dighe

Jatindra Dighe
Chief Financial Officer
Hyderabad
Date: 30th April 2024

Nirmal NR

Nirmal NR
Wholtime Director & CEO
DIN: 10039675
Bangalore
Date: 30th April 2024

Saurabh Jain

Saurabh Jain
Company Secretary
Hyderabad
Date: 30th April 2024

MLR AUTO LIMITED
Statement of cash flows for the year ended 31st March 2024

	(Rs. in Lakhs)	
	Year ended 31st March 2024	Year ended 31st March 2023
Cash flows from operating activities		
Loss before tax	(2,590.71)	(2,630.32)
Adjustments for:		
Finance costs	853.65	751.51
Interest income	(25.63)	(0.89)
Depreciation and amortisation expense	294.92	152.83
Loss on sale/scrap of Property, plant and equipment (net)	11.11	-
Provision for doubtful trade receivables written back	(2.26)	-
Investments written-off	0.13	-
Non-Compete fee	-	200.00
Trade advances written-back	(375.44)	-
Recovery from Allowance for doubtful debts	-	(17.76)
Operating loss before working capital changes	(1,834.23)	(1,544.61)
Adjustment for movements in working capital:		
(Increase)/Decrease in Trade receivables	(25.99)	22.02
(Increase)/Decrease in Inventories	(432.12)	(246.40)
(Increase)/Decrease in Other assets	(358.90)	139.85
Increase/(Decrease) in Trade payables	1,871.97	371.07
Increase/(Decrease) in Provisions & Other liabilities	696.36	257.07
Cash generated used in operations	(82.92)	(1,001.00)
Less: Income taxes paid/(refund)	(26.04)	-
Net cash flow used in operating activities (A)	(108.95)	(1,001.00)
Cash flows from investing activities		
Purchase of Property, plant and equipment and intangibles	(1,206.26)	(44.42)
Purchase of intangible assets and intangible assets under development	-	(36.78)
Proceeds from sale of Property, plant and equipment	25.50	7.98
Interest received	-	0.91
Net cash used in investing activities (B)	(1,180.76)	(72.31)
Cash flows from financing activities		
Proceeds from issue of Equity shares (Refer note 11)	1,505.00	-
Proceeds from Borrowings	1,300.00	1,380.00
Repayment of Borrowings	(1,000.00)	-
Payment of fees for Increase in Authorized capital	-	(22.50)
Finance cost	(285.66)	(215.44)
Net cash flow generated from financing activities (C)	1,519.34	1,142.06
Net increase in cash and cash equivalents (A+B+C)	229.64	68.75
Cash and cash equivalents at the beginning of the year	118.63	49.88
Cash and cash equivalents at the end of the year (Refer note 10)	348.26	118.63

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect method" as set out in the Indian Accounting Standard (Ind AS-7)- Statement of Cash Flows.

2. Reconciliation of liabilities from financing activities for the year ended 31st March 2024:

	(Rs. in Lakhs)			
	As at 31st March 2023	Proceeds	Repayment	As at 31st March 2024
Borrowings (Current and Non-current)	6,296.74	1,300.00	(1,000.00)	6,596.74

3. Reconciliation of liabilities from financing activities for the year ended 31st March 2023:

	(Rs. in Lakhs)			
	As at 31st March 2022	Proceeds	Repayment	As at 31st March 2023
Borrowings (Current and Non-current)	4,916.74	1,380.00	-	6,296.74

See accompanying notes to the financial statements

As per our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sumit Trivedi

Sumit Trivedi
Partner
Hyderabad
Date: 3rd May 2024



For and on behalf of Board of Directors

K Vijaya Kumar

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Chairman
DIN: 06630397
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DIN: 10039675
Bangalore
Date: 30th April 2024

Saurabh Jain

Saurabh Jain
Company Secretary
Hyderabad
Date: 30th April 2024

MLR AUTO LIMITED**Statement of changes in equity for the year ended 31st March 2024****A Equity share capital**

	(Rs. In Lakhs)	
	Number of shares	Amount
Balance as at 1st April 2022	72,353,933	7,235.39
Add: Equity shares allotted during the year	-	-
Balance as at 31st March 2023	72,353,933	7,235.39
Add: Equity shares allotted during the year	36,915,271	1,505.00
Balance as at 31st March 2024	109,269,204	8,740.39

B Other equity

	Reserves and surplus (Refer note 12)			(Rs. In Lakhs)
	General Reserve	Securities Premium	Retained Earnings	Total
Balance as at 1st April 2022	1,411.17	1,970.98	(14,585.32)	(11,203.17)
Loss for the year	-	-	(2,630.32)	(2,630.32)
Fees for Increase in Authorized capital	-	(22.50)	-	(22.50)
Remeasurements of the defined benefit plans	-	-	6.60	6.60
Balance as at 31st March 2023	1,411.17	1,948.48	(17,209.04)	(13,849.39)
Loss for the year	-	-	(2,590.71)	(2,590.71)
Remeasurements of the defined benefit plans	-	-	(8.11)	(8.11)
Balance as at 31st March 2024	1,411.17	1,948.48	(19,807.86)	(16,448.21)

See accompanying notes to the financial statements

As per our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sumit Trivedi

Sumit Trivedi
Partner
Hyderabad
Date: 3rd May 2024



For and on behalf of Board of Directors

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Saurabh Jain
Company Secretary
Hyderabad
Date: 30th April 2024

MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

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 facility located in India at Survey No.354, Automotive Park, Muppireddypally, Medak, Telangana – 502 336.

The Company is subsidiary of Greave Electric Mobility Private Limited.

2. Summary of Material Accounting Policies

2.1 Statement of compliance:

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

2.2. Basis of preparation and presentation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

2.3. Revenue recognition:

Revenue is recognised when control of the goods, services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the amount of transaction price (net of variable consideration), taking into account contractually defined terms of payment. However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Revenue from sale of goods is recognised when control of the goods is transferred to the Customers. Revenue in respect of service is recognised in the accounting year in which the services are performed in accordance with the terms of contract with customers. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Interest income:

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:

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in INR, the national currency of India, which is the functional currency of the Company.

(ii) Transaction and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Also refer note 2.2.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

2.5. Borrowing cost:

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.

2.6. Government Grants and subsidies:

Government grants and subsidies are recognised where there is reasonable assurance that the grant or subsidy will be received, and all attached conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant or subsidy relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

2.7. Employee benefits:

Defined Contribution Plans:

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 employees' salary. The contributions are paid to the respective Regional Provident Fund Commissioner and the Central Provident Fund under the State Pension scheme. 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.

Defined Benefit Plans:

For defined benefit retirement plans (i.e. gratuity and ex-gratia) 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, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), 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.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

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);
- net interest expense or income; and
- re-measurement.

Compensated Absences:

Compensated absences which accrue to employees and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit, and where the availment 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.

2.8. Taxation:

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 by the end of the reporting period.

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. Unrecognised deferred taxes are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax 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.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as deferred tax asset only to the extent it is probable that sufficient taxable profit will be available to allow all or part of MAT credit to be utilised during the specified period, i.e., the period for which such credit is allowed to be utilised.

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. Property, plant and equipment:

Property, plant and equipment are measured at cost or its deemed cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

Cost includes inward freight, taxes and expenses incidental to acquisition and installation, up to the point the asset is ready for its intended use.

Depreciation on Property, plant and equipment is provided under the written down value method over the useful life of the assets. Leasehold building improvements are written off over the period of lease or their estimated useful life, whichever is lower, on a straight-line basis. Residual value of the assets is estimated at 5% of cost. The useful lives of the assets of the Company are as follows:

Asset	Useful lives
Furniture & Fixtures	3 - 10 years
Plant & machinery	10 - 15 years
Office equipment	5 - 10 years

The useful life is assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support etc.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

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.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

2.10. Lease:

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of a lease, the Company recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for short term leases and low value leases. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities. ROU assets are amortised on a straight-line basis over the asset's useful life or the lease period whichever is shorter.

Lease liability is measured by discounting the lease payments using the interest rate of the incremental borrowing. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Impairment of ROU assets is in accordance with the policy for impairment of non- financial assets.

The company has opted for exemption provided under Ind AS 116 for short-term leases and leases of low-value assets, hence the lease payments associated with those leases are treated as an expense on a straight-line basis over the lease term.

2.11. Intangible assets:

Intangible assets acquired separately:

Own developed intangible assets are capitalised at actual cost. Cost includes all expenses incurred for development of the intangible asset, up to the point the asset is ready for its intended use.

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 straight-line 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.

Derecognition of intangible asset:

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

Useful life of intangible assets:

Estimated useful lives of the intangible assets are as follows:

New product development	5 years
Software	3 years

Impairment of tangible and intangible assets other than goodwill:

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

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

2.13. Inventories:

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

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

2.14. Exceptional item:

Significant gains / losses or expenses incurred arising from external events that is not expected to recur are disclosed as Exceptional item.

2.15. 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.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

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. Financial instrument:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial asset:

- **Financial assets at amortised cost** - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as noncurrent assets.

Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss if any. Financial assets at amortised cost are represented by trade receivables, security and other deposits, cash and cash equivalent, employee and other advances. The Company subsequently measures all equity investments other than investments forming part of subsidiary at fair value.

- **Financial assets at Fair Value through Profit and loss (FVTPL)** - Financial assets other than the equity investments and investment classified as FVTOCI are measured at FVTPL. These include surplus funds invested in mutual funds etc.
- **Impairment of financial assets** - The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

Financial liabilities:

Financial liabilities are subsequently measured at amortised cost or at FVTPL. Financial liabilities such as derivative that is not designated and effective as a hedging instrument are classified as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in the statement of profit and loss. The net gain or loss recognised in the statement of profit and loss is included in the 'other income / expense' line item. Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost.

De-Recognition of Financial Assets and Liabilities:

Financial assets are derecognized when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognized when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.18. Contingent liabilities and contingent assets

Contingent liability is disclosed in the case of:

- 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
- a present obligation when no reliable estimate is possible, and
- a possible obligation, arising from past events where the probability of outflow of resources is not remote.

Contingent assets are not recognised in the financial statements, but are disclosed where an inflow of economic benefits is probable.

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

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chief operating officer of the Company has been identified as being the chief operating decision maker.

2.20 Statement of Cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of Transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipt or payments and item of income or expense associated with investing or financing cashflows. The cash flow from operating, investing and financing activities of the Company are segregated.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

2.21 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.22 Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.23 Critical accounting judgements:

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:

- **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 employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

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.

• **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.

• **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.

• **Provision for Contingent Liabilities:**

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

3. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has not notified any new standards or amendments to the existing standards applicable to the company.



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024

4 - Property, plant and equipment

(Rs. in Lakhs)

Particulars	Freehold		Plant & Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total Property, plant and equipment
	Land (Refer note below)	Buildings					
Original Cost:-							
At 31st March 2022	287.49	462.18	754.12	(12.67)	3.43	4.62	1,499.17
Additions	-	-	22.71	9.77	-	11.94	44.42
Disposals	-	-	(186.20)	-	-	-	(186.20)
At 31st March 2023	287.49	462.18	590.63	(2.90)	3.43	16.56	1,357.39
Adjustments/transfer Inter se	-	-	194.28	6.73	1.63	38.80	241.44
Additions	-	41.32	159.87	11.35	1.05	58.56	272.16
Disposals	-	-	(7.53)	-	(0.49)	(2.07)	(10.09)
At 31st March 2024	287.49	503.50	937.25	15.19	5.62	111.85	1,860.90
Accumulated depreciation :-							
At 31st March 2022	-	19.15	228.25	(14.03)	0.85	(19.53)	214.69
Charge for the year	-	40.28	86.60	3.31	0.57	6.58	137.34
Disposals	-	-	(178.23)	-	-	-	(178.23)
At 31st March 2023	-	59.43	136.62	(10.72)	1.42	(12.95)	173.80
Adjustments/transfer Inter se	-	-	194.28	11.58	1.62	33.94	241.42
Charge for the year	-	37.16	86.67	0.97	0.41	18.99	144.20
Disposals	-	-	-	-	-	-	-
At 31st March 2024	-	96.59	417.57	1.83	3.45	39.98	559.42
At 31st March 2024	287.49	406.91	519.68	13.36	2.17	71.87	1,301.48
At 31st March 2023	287.49	402.75	454.01	7.82	2.01	29.51	1,183.59

Note:

During the Financial year 2010-11, the Company had availed loan from Andhra Pradesh State Finance Corporation (APSC) and had submitted the original title deeds of the immovable property (i.e. Freehold Land) located at Muppireddypally village, Tootpran measuring 25 acres. The Company has repaid the loan to APSC during financial year 2021-22 and APSC has transferred the original title deeds to Telangana State Industrial Investment Corporation (TSIIC). The Company is in the process of obtaining original title deeds from TSIIC. The Management has obtained the Statement of Encumbrance on Property from the Registration and Stamps Department portal of the Government of Telangana.

4A - Intangible assets

(Rs. in Lakhs)

Particulars	Computer software	New Product Development	Total Intangible assets
Original Cost :-			
At 31st March 2022	6.52	-	6.52
Additions	-	98.35	98.35
Disposals	-	-	-
At 31st March 2023	6.52	98.35	104.87
Additions	5.47	914.86	920.33
Disposals	(1.04)	-	(1.04)
At 31st March 2024	10.95	1,013.21	1,024.16
Accumulated amortization :-			
At 31st March 2022	3.18	-	3.18
Charge for the year	1.02	14.47	15.49
Disposals	-	-	-
At 31st March 2023	4.20	14.47	18.67
Charge for the year	2.01	148.71	150.72
Disposals	-	-	-
At 31st March 2024	6.21	163.18	169.39
Net book value :-			
At 31st March 2024	4.74	850.03	854.77
At 31st March 2023	2.32	83.88	86.20

4B. Capital work-in-progress (CWIP) ageing schedule :-

(Rs. in lakhs)

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress :					
As at 31st March 2024	3.96	-	-	-	3.96
As at 31st March 2023	-	-	-	-	-

4C. Intangible assets under development ageing schedule :-

(Rs. in lakhs)

Particulars	Amount in Intangible assets under development for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress :					
As at 31st March 2024	10.64	0.91	-	-	11.55
As at 31st March 2023	1.74	-	-	-	1.74



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2024**

5 - Investments		(Rs. In Lakhs)			
		As at 31st March 2024		As at 31st March 2023	
Particulars	Nos.	Amount	Nos.	Amount	
Non-current (Unquoted) Investments					
Equity shares of Vardhaman (Mahila) Co-Op. Urban Bank Ltd. (at cost) * (500 shares of Rs. 25 each)	-	-	500	0.13	
Total	-	-	500	0.13	
*Aggregate carrying value of unquoted investments				0.13	

6 - Other financial assets		(Rs. In Lakhs)	
		As at 31st March 2024	As at 31st March 2023
Particulars			
6A Non-current (Unsecured, Considered good)			
Security deposits		23.57	21.88
Non-current total		23.57	21.88
6B Current (Unsecured, Considered good)			
Interest receivable		0.70	0.58
Staff advances		5.16	4.14
Subsidy receivable (Refer note below)	180.06		
Less: Provision for Subsidy receivable	(89.27)	90.79	-
Other receivable (Refer note 30)		233.53	-
Current total		330.18	4.72
Total		353.75	26.60

Note: As at 31st March 2024, the Company has an outstanding receivable amounting to Rs 90.79 lakhs (net of provision amounting to Rs 89.27 lakhs) (as at 31st March 2023 of Rs 57.67 lakhs [net of provision amounting to Rs Nil]) towards subsidy receivable from the Government under the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) - II scheme. The amount includes Rs 41.44 lakhs towards claim pending to be filed with Ministry of Heavy vehicles (MHI) for which sufficient time is available as per the FAME Scheme.



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2024****7 - Other assets** (Rs. In Lakhs)

	Particulars	As at 31st March 2024	As at 31st March 2023
7A	Non-current		
	Unsecured, Considered good		
	Income tax receivable	28.19	2.15
	Capital advances *	231.61	278.14
	Non-current total	259.80	280.29
7B	Current		
	Unsecured, Considered good		
	Advances to suppliers	151.00	42.76
	Prepaid expenses	7.08	12.66
	Balances with Govt Authorities (includes subsidy receivable of Rs 57.27 lakhs as at 31st March 2023)	150.46	174.72
	Current total	308.54	230.14
	Total	568.34	510.43

* Includes MSME advances of Rs 13.95 Lakhs (as at 31st March 2023 is Nil)

8 - Inventories

	Particulars	As at 31st March 2024	As at 31st March 2023
	Inventories (lower of cost and net realisable value)		
	Raw materials *	861.02	389.20
	Work-in-progress	167.96	51.00
	Finished goods	216.83	373.49
	Total	1,245.81	813.69

* Includes material in transit of Rs 85.85 Lakhs (As at 31st March 2023 Rs Nil).

Notes:

(i) The cost of Inventories recognized as an expense includes Rs Nil (for the year ended 31st March 2023 Rs Nil) in respect of write-down of inventory to net realizable value, and has been reduced by Rs Nil (for the year ended 31st March 2023 Rs Nil) in respect of reversal of such write-downs.

(ii) The method of valuation of Inventories has been stated in Note 2.14



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024
9 - Trade receivables

(Rs. in Lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Considered good - Secured	-	-
Considered good - Unsecured	71.52	43.27
Trade receivables - credit impaired	505.14	507.40
Less: Allowance for doubtful receivables (expected credit loss allowance)	(505.14)	(507.40)
Total	71.52	43.27

Trade Receivables ageing schedule as at 31st March 2024

(Rs. in Lakhs)

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	28.66	1.09	24.06	1.50	16.21	71.52
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	27.57	477.57	505.14
(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	-	-	-	-	-	-
	28.66	1.09	24.06	29.07	493.78	576.66
Less: Provision for doubtful trade receivables	-	-	-	27.57	477.57	505.14
	28.66	1.09	24.06	1.50	16.21	71.52

Trade Receivables ageing schedule as at 31st March 2023

(Rs. in Lakhs)

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	22.73	4.11	14.65	0.11	43.27
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	27.78	7.84	471.78	507.40
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
	1.67	22.73	31.89	22.49	471.89	550.67
Less: Provision for doubtful trade receivables	-	-	27.78	7.84	471.78	507.40
	1.67	22.73	4.11	14.65	0.11	43.27

10 - Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Cash on hand	0.37	0.04
Unrestricted balances with banks :		
Balances with banks in current accounts	89.97	118.59
Term deposits with original maturity less than 3 months (free of lien)	257.92	-
Total	348.26	118.63



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024

		(Rs. In Lakhs)			
11 - Equity share capital		As at 31st March 2024		As at 31st March 2023	
	Particulars	No of shares	Amount	No of shares	Amount
A	Authorised				
	Equity shares of Rs. 10 each	90,000,000	9,000.00	100,000,000	10,000.00
	Class A Equity shares of Rs. 1 each	100,000,000	1,000.00	-	-
	Total	190,000,000	10,000.00	100,000,000	10,000.00
B	Issued, subscribed and fully paid up				
	Equity shares of Rs. 10 each	84,974,455	8,497.44	72,353,933	7,235.39
	Class A Equity shares of Rs. 1 each	24,294,749	242.95	-	-
	Total	109,269,204	8,740.39	72,353,933	7,235.39

Notes:

1) During the previous year, pursuant to special resolution passed in Annual General Meeting (AGM) of the Company held on 29th August 2022, the Company has approved increase in Authorised Share Capital from Rs 7,500 lakhs to Rs 10,000 lakhs consisting of 100,000,000 equity shares of Rs 10 each.

2) During the previous year, the Board of Directors through circular resolution held on 3rd March 2023, had given consent to reclassify the authorized capital of the company from existing 100,000,000 equity shares of Rs 10 each into 100,000,000 class A equity shares of Rs 1 each and 90,000,000 equity shares of Rs 10 each. The same has been approved by the members in the Extraordinary General Meeting held on 6th March 2023. Accordingly Memorandum of Association (MOA) and Articles of Association (AOA) was amended on 6th March 2023.

a) Issued, Subscribed and Fully paid-up equity shares: Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

		As at 31st March 2024		As at 31st March 2023	
	Particulars	No of shares	Amount	No of shares	Amount
(i)	Equity shares of Rs 10 each with voting rights:				
	Balances as at the beginning of the year	72,353,933	7,235.39	72,353,933	7,235.39
	Add: Issued during the year (Refer note below)	12,620,522	1,262.06	-	-
	Balance as at the end of the year	84,974,455	8,497.44	72,353,933	7,235.39
(ii)	Class A Equity shares of Rs 1 each with voting rights:				
	Balances as at the beginning of the year	-	-	-	-
	Add: Issued during the year (Refer note below)	24,294,749	242.95	-	-
	Balance as at the end of the year	24,294,749	242.95	-	-
	Total	109,269,204	8,740.39	72,353,933	7,235.39

Note:

In accordance with the terms of the Share Subscription agreement dated 12th May 2023, and pursuant to the approval of the Board of Directors at its meeting held on 13th April 2023 and approval of the members at the Extra Ordinary General Meeting of the Company held on 16th May 2023, the Company has issued and allotted 25% of shareholding of the Company (i.e. 1,26,20,522 Equity Shares having face value of Rs 10 each at par and 24,29,749 Class A Equity Shares having face value of Rs. 1 each at par aggregating Rs 1,505 lakhs) to Greaves Electric Mobility Private Limited. Post Issue of such equity shares, Greaves Electric Mobility Private Limited holds 51% shareholding. Consequently, the Company has become a subsidiary of Greaves Electric Mobility Private Limited w.e.f 16th May 2023.

b) Rights, preferences and restrictions attached to shares:

The Company has two classes of equity shares having face value of Rs. 10 per share and face value of Rs 1 per share. Both the classes of 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.

c) Details of shareholders holding more than 5% shares in the company and its holding company details:

		As at 31st March 2024		As at 31st March 2023	
	Particulars	No of shares	% of Holding	No of shares	% of Holding
Shares in the Company held by each shareholder holding more than 5% shares	Fully paid equity shares of Rs 10 each				
	Greaves Electric Mobility Private Limited	31,432,545	28.77%	18,812,023	26.00%
	Ashish Kacholia	13,101,240	11.99%	13,101,240	18.11%
	Param Capital Research Private Limited	6,663,950	7.93%	6,663,950	11.97%
	Bengal Finance And Investment Private Limited	-	-	3,695,650	5.10%
Fully paid Class A equity shares of Rs 1 each	Greaves Electric Mobility Private Limited	24,294,749	22.23%	-	-

d) Details of shares held by Holding Company:

		As at 31st March 2024		As at 31st March 2023	
	Particulars	No of shares	% of Holding	No of shares	% of Holding
Fully paid equity shares of Rs 10 each	Greaves Electric Mobility Private Limited *	31,432,545	28.77%	18,812,023	26.00%
	Fully paid Class A equity shares of Rs 1 each	24,294,749	22.23%	-	-

*The Greaves Electric Mobility Private Limited is the Holding Company for MLR AUTO LIMITED from 16th May, 2023. The ultimate holding Company is Greaves Cotton Limited.

e) Shareholding of promoters:

S.No	Promoter Name	As at 31st March 2024		% Change during the year
		No of shares	% of Holding	
1	Equity shares of Rs 10 each : M.Lokeswara Rao & Family	17,762,500	11.68%	(5.92%)

S.No	Promoter Name	As at 31st March 2023		% Change during the year
		No of shares	% of Holding	
1	Equity shares of Rs 10 each : M.Lokeswara Rao & Family	17,762,500	17.60%	-

f) During the five years ended 31st March 2024, there were no shares issued for consideration other than cash by the Company.



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024

		(Rs. In Lakhs)	
12 - Other equity		As at	As at
	Particulars	31st March 2024	31st March 2023
	Reserves and surplus		
	Securities premium (Refer note 1 below)	1,948.48	1,948.48
	General reserve (Refer note 2 below)	1,411.17	1,411.17
	Retained earnings (Refer note 3 below)	(19,807.86)	(17,209.04)
	Total	(16,448.21)	(13,849.39)

Notes

- Amount received on issue of shares in excess of par value has been classified as Securities premium.
- General reserve is created by a transfer of revaluation reserve created in Financial year 2009-10 on account of revaluation of Land representing the gain realised on its subsequent sale in the Financial year 2019-20 and 2020-21.
- Retained earnings comprise of the Company's undistributed earnings after taxes.

		(Rs. In Lakhs)	
13 - Borrowings		As at	As at
	Particulars	31st March 2024	31st March 2023
13A	Non-current		
a.	Secured		
	Term Loan From Greaves Finance Limited (Refer note 1 below)	-	350.00
	Term Loan From Greaves Electric Mobility Private Limited (Refer note 2 below)	1,300.00	1,030.00
	Total secured	1,300.00	1,380.00
b.	Unsecured		
	From erstwhile Directors/Directors and Body Corporates (Refer note 3 below)	-	4,266.74
	Total unsecured	-	4,266.74
	Total Non-current	1,300.00	5,646.74
13B	Current		
c.	Secured		
	Term Loan From Greaves Finance Limited (Refer note 1 below)	-	650.00
	Term Loan From Greaves Electric Mobility Private Limited (Refer note 2 below)	1,030.00	-
	Total secured	1,030.00	650.00
b.	Unsecured		
	From erstwhile Directors/Directors and Body Corporates (Refer note 3 below)	4,266.74	-
	Total unsecured	4,266.74	-
	Total Current	5,296.74	650.00
	Grand Total	6,596.74	6,296.74

Notes

- Secured Loan from Greaves Finance Limited**
 During the year ended 31st March 2022, the Company has obtained Secured loan from Greaves Finance Limited (GFL) amounting to Rs 1,000 lakhs for purpose of re-financing high cost debt and working capital. The loan is secured by Exclusive charge on the Company's Land situated at Survey number 354, Tooparan, Mupireddypally, Buildings and Movable Plant and Machinery.
 Interest rate charged : 12.5% p.a.
 Terms of Repayment: The same is repayable at end of 2 years from date of disbursement.
 During the year ended 31st March 2024, the Company has repaid the entire loan to GFL amounting to Rs 1,000 lakhs
- Secured Loan from Greaves Electric Mobility Private Limited**
 During the year ended 31st March 2023, the Company has entered into agreement to obtain Secured loan from Greaves Electric Mobility Private Limited (GEMPL) amounting to Rs 2,000 lakhs for purpose of working capital requirements and other business activities of the Company. The loan is secured by Exclusive charge on Company's Land situated at Survey number 354, Tooparan, Mupireddypally, Buildings and Movable Plant and Machinery. Company is in process of creating the charge in favor of GEMPL.
 Interest rate charged is SBI PLR till 30th April 2023 and 12.25% w.e.f 1st May 2023.
 Terms of Repayment: Principal and interest is repayable at end of 2 years from date of disbursement.
- Unsecured loan from erstwhile Directors/Directors and Body Corporates:**
 Company has obtained an unsecured loan from erstwhile Directors/Directors and Body corporates during the year 31st March 2022 amounting to Rs 4,266 lakhs for purpose of working capital requirements.
 Interest rate charged is SBI PLR till 30th April 2023 and 12.25% w.e.f 1st May, 2023
 Terms of Repayment: Repayable at end of 3 years from date of agreement (i.e., repayable date is August 2024).



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024

14 - Other financial liabilities (Rs. in Lakhs)

	Particulars	As at 31st March 2024	As at 31st March 2023
14A	Non-Current		
	Trade advances (Refer note 30)	-	750.89
	Interest accrued but not due on borrowings	46.00	-
	Payable on purchase of Property, plant and equipment	-	10.42
	Refundable deposits from customers	-	146.02
	Non-current total	46.00	907.33
14B	Current		
	Trade advances (Refer note 30)	375.44	-
	Employee benefits payable	218.91	162.44
	Refundable deposits from customers	211.35	-
	Payable on purchase of Property, plant and equipment	518.56	-
	Interest accrued but not due on borrowings	1,326.13	804.14
	Other payable	147.35	179.88
	Current total	2,797.74	1,146.46
	Total	2,843.74	2,053.79

15 - Provisions (Rs. in Lakhs)

	Particulars	As at 31st March 2024	As at 31st March 2023
15A	Non-current		
	Provision for employee benefits	16.74	7.41
	Compensated absences	21.01	15.12
	Gratuity	-	-
	Non-current total	37.75	22.53
15B	Current		
	Provision for employee benefits	36.41	19.27
	Compensated absences	11.46	5.08
	Gratuity	86.37	15.70
	Provision for warranty (Refer note below)	-	-
	Current total	134.24	40.05
	Total	171.99	62.58

Note: 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 amount of expected cost of meeting such obligations of rectification/replacement based on the historical data available. The products are generally covered under a free warranty period ranging to 12-48 months.

Movement in Provision for Warranty :

	As at 31st March 2024	As at 31st March 2023
Opening balance	15.70	4.37
Add: Provision recognised during the year	121.06	19.52
Less: Amount utilised/reversed during the year	(50.39)	(8.19)
Closing balance	86.37	15.70

16 - Other liabilities (Rs. in Lakhs)

	Particulars	As at 31st March 2024	As at 31st March 2023
16	Current		
	Advances from customers	192.18	240.96
	Statutory dues	92.19	77.61
	Marketings schemes payable	71.46	39.60
	Current total	355.83	358.17
	Total	355.83	358.17



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024

17 - Trade payables

(Rs. In Lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Trade payables		
Due to micro enterprises and small enterprises (Refer note below)	525.51	56.63
Other than micro enterprises and small enterprises	1,973.45	570.37
Total	2,498.96	627.00

(Rs. In Lakhs)

Note	As at	As at
	31st March 2024	31st March 2023
Principal amount and interest due:		
Principal amount	525.51	56.63
Interest due	2.19	16.31
Interest paid by buyer in terms of section 16 of MSME Act, 2006	-	-
Amount paid beyond the appointed day	2,039.02	227.64
Interest due and payable to supplier, for payment already made under MSME Act	31.62	16.31
Amount of interest accrued and remaining unpaid at the end of each accounting year	50.12	16.31
Amount of further interest remaining due and payable even in succeeding years	50.12	16.31

Trade Payables ageing schedule as at 31st March 2024

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	250.56	274.95	-	-	-	525.51
(ii) Others	85.75	569.63	1,224.91	84.39	2.12	6.65	1,973.45
(iii) Disputed dues-MSME	-	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-	-
	85.75	820.19	1,499.86	84.39	2.12	6.65	2,498.96

Trade Payables ageing schedule as at 31st March 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	56.63	-	-	-	56.63
(ii) Others	-	-	561.88	3.67	4.82	-	570.37
(iii) Disputed dues-MSME	-	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-	-
	-	-	618.51	3.67	4.82	-	627.00



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2024****18 - Revenue from operations**

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2024	31st March 2023
Revenue from operations	8,617.34	4,444.18
Other operating revenue - scrap sales	5.25	-
Total	8,622.59	4,444.18

The Company believes that the below table best depicts the disaggregation of how the nature, amount, timing and uncertainty of revenues and cash flows are affected. The Company made sales only to the domestic customers during the year and previous year. Transaction price allocated to the remaining performance obligation is within 1 year for both the years.

Disaggregation of revenue :

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2024	31st March 2023
Revenue from sale of goods (including FAME subsidy, net of provision Rs. 90.80 Lakhs for the year ended 31st March 2024 (Rs. 57.67 Lakhs for the year ended 31st March 2023))	8,913.40	4,444.18
Less: Incentives and schemes	296.04	-
Net revenue from sale of goods	8,617.34	4,444.18
Other operating revenue - scrap sales	5.25	-
Total	8,622.59	4,444.18

The Company's revenue includes Rs 884.26 Lakhs (Rs Nil for the year ended 31st March 2023) which arose from sales to the Company's largest customer. No other single customer contributed 10 percent or more to the Company's revenue in either for the year ended 31st March 2024 or for the year ended 31st March 2023.

19 - Other income

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2024	31st March 2023
Interest income	25.63	0.89
Liabilities no longer required written back	-	23.28
Recovery from Allowance for doubtful debts	-	17.76
Scrap sales	-	43.21
Provision for doubtful trade receivables written back	2.26	-
Miscellaneous income	0.01	0.04
Total	27.90	85.18

20 - Cost of materials consumed

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2024	31st March 2023
Raw materials consumed	389.20	380.20
Opening stock	7,727.21	4,048.73
Purchases	861.02	389.20
Less : Closing stock	-	-
Total	7,255.39	4,039.73

21 - Changes in inventories of finished goods and work-in-progress

(Rs. In Lakhs)

Particulars	Year ended	Year ended
	31st March 2024	31st March 2023
Opening Inventories		
Finished goods	373.49	130.59
Work-in-progress	51.00	56.51
	424.49	187.10
Closing inventories		
Finished goods	216.83	373.49
Work-in-progress	167.96	51.00
	384.79	424.49
(Increase)/Decrease in Inventories	39.70	(237.39)



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

(Rs. In Lakhs)

22 - Employee benefits expense		Year ended 31st March 2024	Year ended 31st March 2023
	Particulars		
	Salaries and wages	795.24	719.44
	Contribution to provident funds and other funds	47.62	39.17
	Gratuity expense	6.29	6.13
	Staff welfare expenses	134.19	69.02
	Total	983.34	833.76

**22A Employee benefit plans
Defined contribution plan**

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company has recognised Rs. 47.24 lakhs (for the year ended 31st March 2023: Rs 30.83 lakhs) as contribution to Provident Fund, and Rs. 0.38 lakhs (for the year ended 31st March 2023 Rs. 0.84 Lakhs) as payment under Employee State Insurance Scheme in the Statement of profit and loss. These contributions have been made at the rates specified in the rules of the respective schemes and has been recognised in the Statement of profit and loss under the head Employee benefits expense.

**22B Defined benefit plans
Gratuity**

The Company has not funded its gratuity obligations. The following table sets out the status of the defined benefit schemes and the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary.

(Rs. In Lakhs)

Reconciliation of opening and closing balances of defined benefit obligations :

Particulars	Year ended 31st March 2024	Year ended 31st March 2023
Opening defined benefit obligation	20.20	30.87
Current service cost	5.00	4.84
Past service cost	-	-
Interest on defined benefit obligation	1.29	1.29
Re-measurement due to:		
Actuarial (gains) / losses arising from changes in financial assumptions	0.13	(1.36)
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from experience changes	7.98	(5.24)
Benefits paid	(2.13)	(10.20)
Closing defined benefit obligation	32.47	20.20
Current	11.46	5.08
Non-Current	21.01	15.12

(Rs. In Lakhs)

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

Particulars	As at 31st March 2024	As at 31st March 2023
Opening fair value of plan assets	-	-
Employer contributions	2.13	10.20
Interest income	-	-
Re-measurement gain / (loss):		
Return on plan assets (excluding amounts included in net interest expense)	-	-
Contributions from the employer	-	-
Benefits paid	(2.13)	(10.20)
Closing fair value of plan assets as at year end	-	-



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

Amounts recognised in the Statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	(Rs. In Lakhs)	
	Year ended 31st March 2024	Year ended 31st March 2023
Service cost:		
Current service cost	5.00	4.84
Past service cost and gain from settlements	-	-
Interest on net defined benefit asset	1.29	1.29
Components of defined benefit costs recognised in profit or loss during the year	6.29	6.13
Opening amount recognised in other comprehensive income :	(5.66)	0.94
Re-measurement during the year due to:		
Changes in financial assumptions	0.13	(1.36)
Changes in demographic assumptions	-	-
Experience adjustments	7.98	(5.24)
Actual return on plan assets less interest on plan assets	-	-
Closing amount recognised in other comprehensive income :	2.45	(5.66)
Components of defined benefit (income) / cost recognised in other comprehensive income during the year	8.11	(6.60)

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.

Actuarial Assumptions :

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Discount rate(s)	7.20%	7.30%
Expected rate(s) of salary increase	7.00%	7.00%
Retirement age and attrition rate (per annum) :		
21-30 Yrs	41.00%	41.00%
31-40 Yrs	49.00%	49.00%
41-50 Yrs	20.00%	20.00%
51-59 Yrs	12.00%	12.00%

The retirement age of employees of the company is 60 years.

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factor including supply and demand in the employment market. The above information is certified by the actuary. The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult table.

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

Particulars	Discount rate	Salary Escalation Rate
As at 31st March 2024		
Defined benefit obligation on increase in 50 bps	31.84	33.12
Defined benefit obligation on decrease in 50 bps	33.12	31.84
As at 31st March 2023		
Defined benefit obligation on increase in 50 bps	19.83	20.58
Defined benefit obligation on decrease in 50 bps	20.58	19.83

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. In Lakhs)	
	As at 31st March 2024	As at 31st March 2023
1 year to 3 years	3.56	14.13
4 years to 5 years	6.50	3.38
6 years and above	19.29	10.11

The weighted average duration to the payment of these cash flows is 3.95 years As at 31st March 2024 (As at 31st March 2023 is 3.71 years).



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2024**

(Rs. In Lakhs)

23 - Finance costs

Particulars	(Rs. In Lakhs)	
	Year ended 31st March 2024	Year ended 31st March 2023
Interest expenses :		
Interest on Unsecured loans	530.87	576.58
Interest on Secured loans	288.97	169.08
Interest on MSME	33.81	5.85
Total	853.65	751.51

24 - Depreciation and amortisation expense

(Rs. In Lakhs)

Particulars	(Rs. In Lakhs)	
	Year ended 31st March 2024	Year ended 31st March 2023
Depreciation of property, plant and equipment (Note 4)	144.20	137.34
Amortisation of intangible assets (Note 4A)	150.72	15.49
Total	294.92	152.83

25 - Other expenses

(Rs. In Lakhs)

Particulars	(Rs. In Lakhs)	
	Year ended 31st March 2024	Year ended 31st March 2023
Contract labor charges	397.65	212.52
Power and fuel	182.44	137.29
Research & Testing expenses	54.85	15.68
Repairs and Maintenance :		
Machinery	44.72	52.84
Building	4.77	0.85
Others	9.81	7.20
Rent	13.98	1.35
Rates and Taxes	15.42	23.03
Insurance charges	17.00	2.21
Travelling and Conveyance	205.70	122.09
Legal, professional and consultancy charges	270.12	157.37
Auditor's Remuneration and out of pocket expenses (refer below note)	8.00	2.70
Advertisement and sales promotion expenses	358.68	257.08
Royalty	115.50	-
Warranty expenses	121.06	27.96
Non-compete fee	200.00	200.00
Provision for Subsidy receivable	89.27	-
Loss on sale/scrup of Property, plant and equipment (net)	11.11	-
Investments written-off	0.13	-
Provision for doubtful financial assets	-	2.90
Deposit towards contracted business support services written-off	-	316.20
Miscellaneous Expenses	69.43	79.97
Total	2,189.64	1,619.24

(Rs. In Lakhs)

Particulars	(Rs. In Lakhs)	
	Year ended 31st March 2024	Year ended 31st March 2023
25A Auditor's Remuneration include:		
Statutory audit fees	8.00	2.70



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2024****(Rs. In Lakhs)****26 - Exceptional items**

Particulars	Year ended	Year ended
	31st March 2024	31st March 2023
Trade advances written back (Refer note below)	(375.44)	-
Total	(375.44)	-

Note:

In accordance with the terms of the Share Subscription agreement dated 12th May, 2023, Company has written back 50% of Trade advance amounting to Rs 375.44 Lakhs during the year ended 31st March 2024 which is approved by Board of Directors in the meeting held on 11th April 2023.

27 - Income Tax:

- 1 On 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115 BAA in the Income-tax Act, 1961, which provides domestic companies a non-reversible option to pay Corporate tax at reduced rates effective 1st April 2019, subject to certain conditions. The Company currently is under the old tax regime of the Income-tax Act, 1961, and hence has not exercised this option in the current year.
- 2 The Company has unabsorbed depreciation and business losses available for offset against future profits. No deferred tax asset has been recognised in respect of unabsorbed depreciation and business losses as it is not considered probable that there will be sufficient future taxable profits available.

(Rs. In Lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Unabsorbed depreciation	2,195.03	1,894.10
Business loss (Refer note below)	5,451.35	11,387.01

Note:

In connection with the carry-forward tax losses as per the provisions of section 79 of the Income tax Act, 1961, the Company during the year obtained a tax opinion to evaluate the carry-forward of such losses. Based on such opinion, the Company has re-assessed the carry-forward tax losses and made necessary adjustments.



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2024****28 - Segment Reporting**

The Chief Operating Decision Maker (CODM) of the Company examines the performance from the perspective of the Company as a whole viz. "Automotive Business" and hence there are no separate reportable segments as per Ind AS 108.

29 - Earnings per share

	Particulars	Year ended 31st March 2024	Year ended 31st March 2023
	Loss attributable to ordinary shareholders for Basic and Diluted EPS - Rs. in Lakhs	(2,590.71)	(2,630.32)
	Weighted average number of equity shares (face value of Rs. 10 each) used as denominator for calculating Basic and Diluted EPS - in Numbers	83,388,269	72,353,933
	Weighted average number of class A equity shares (face value of Rs. 1 each) used as denominator for calculating Basic and Diluted EPS - in Numbers	21,241,311	-
	Earnings per Equity share of Rs. 10 each:		
	Basic (in Rs.)	(3.03)	(3.64)
	Diluted (in Rs.)	(3.03)	(3.64)
	Earnings per class A Equity share of Rs. 1 each:		
	Basic (in Rs.)	(0.30)	-
	Diluted (in Rs.)	(0.30)	-

Refer Note 11 for details of class of equity shares and Rights of equity shares.



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024

30 - Related party transactions

i. Name of the related parties and nature of relationships:

(a) Ultimate Holding company	Greaves Cotton Limited from 16th May 2023
(b) Holding company	Greaves Electric Mobility Private Limited from 16th May 2023
(c) Fellow Subsidiaries	Bestway Agencies Private Limited Greaves Technologies Limited Greaves Finance Limited
(d) Enterprise owned or significantly influenced by Key Management Personnel	Raushee Investments
(e) Key management personnel (KMP)	Raja Venkataraman (Independent director) Mada Pandurangasetty Shyam (Independent director) till 2nd February 2024 Thotanchath Balakrishnan (Independent director) from 2nd February 2024 Sundeep R. Chhabra (Independent director) Nirmal NR (Director) YVS Vijay Kumar (Director) till 16th January 2023 Sanjay Behl from 16th May 2023 Jatindra Dighe (CFO)
(f) Promoter and Promoter group	M.Lokeshwara Rao Lokesh Machines Limited B. Kishore Babu M.Likhittha

ii. The following table summarizes related-party transactions and balances for the year ended/as at 31st March 2024 & for the year ended/ as at 31st March 2023 (Rs in Lakhs)

Nature of transaction	Ultimate Holding Company	Holding Company	Enterprises defined in point (c) above	Enterprise defined in point (d) above	KMP	Promoter and Promoter group	Total
Transactions during the year							
Managerial remuneration	-	-	-	-	226.75 (201.04)	-	226.75 (201.04)
Sitting fee	-	-	-	-	4.80 (3.90)	-	4.80 (3.90)
Purchase of goods	2,298.46 (1,045.89)	-	-	-	-	-	2,298.46 (1,045.89)
Receipt of services	- (51.03)	615.27 (399.97)	37.50 (2.04)	-	- (41.22)	-	652.77 (494.25)
Interest expense	-	178.11 (50.66)	110.86 (118.42)	47.49 (53.52)	-	45.47 (47.22)	381.93 (269.82)
Receipt of loan	-	1,300.00 (1,030.00)	- (350.00)	-	-	-	1,300.00 (1,380.00)
Repayment of loan	-	-	1,000.00	-	-	-	1,000.00
Subvention expense	-	-	-	(46.50)	-	-	(46.50)
Services provided	-	5.26 (21.03)	209.17	-	-	-	214.43 (21.03)
Fresh issue of shares for cash	-	1,505.00	-	-	-	-	1,505.00
Capital assets purchase (Including Intangibles)	75.00 (50.00)	-	-	-	-	-	75.00 (50.00)
Non-Compute fee	-	-	-	-	-	200.00 (200.00)	200.00 (200.00)
Royalty expense	115.50	-	-	-	-	-	115.50
Trade advance written back	-	-	-	33.50	-	51.50	90.00
Balances as on balance sheet date:							
Trade receivables and other financial assets	2.53 (2.53)	11.99 (11.99)	217.97	-	-	-	232.49 (14.52)
Trade payables and other financial liabilities	909.39 (240.40)	904.78 (93.00)	47.67 (18.25)	526.17 (521.93)	6.28 (5.40)	452.31 (529.49)	2,940.60 (1,408.50)
Loan repayable	-	2,330.00 (1,030.00)	- (1,000.00)	-	-	-	2,330.00 (2,030.00)

- There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognized in respect of impaired receivables due from related parties.
- Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by Auditors.
- An amount of Rs. 90.00 lakhs has been written back during the year in respect of debts due to related party.
- The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.
- All transactions with related parties are conducted at arm's length price under normal course of business.



MLR AUTO LIMITED

Notes to the financial statements for the year ended 31st March 2024

31 - Contingent liabilities & Commitments

(Rs in Lakhs)

I : Contingent liabilities

Particulars	As at	As at
	31st March 2024	31st March 2023
Claims against the company/disputed liabilities not acknowledged as debts	45.15	-
- Goods and Service Tax appeals	692.25	692.25
- Other matters (Refer note 1 below)		

Note :

1 Other matters represent the claim amount to Rs. 692.25 Lakhs (As at March 31, 2023: Rs. 692.25 Lakhs) arising from an ongoing arbitration case with a Bank in connection with the buyback of vehicles sold on financing arrangement by the bank. The matter is sub-judice and is likely to be listed for hearing before the Hon'ble Arbitral Tribunal.

II : Commitments

(Rs in Lakhs)

Particulars	As at	As at
	31st March 2024	31st March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of Rs 231.61 Lakhs (Previous year Rs 278.14 Lakhs)).	291.82	364.49

32 - Financial instruments

32.1 Capital management :

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

32.2 Categories of financial instruments :

The significant accounting policies in respect of each class of financial asset, financial liability and equity instrument including the criteria for recognition, the basis of measurement are disclosed in Note 5, 6, 9, 10, 13, 14 and 17 to the financial statements. These notes also mention the basis on which the income and expenses are recognized.

Particulars	(Rs in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Financial assets :-		
Investments	-	0.13
Others financial assets - non current	23.57	21.88
Trade receivables	71.52	43.27
Cash and cash equivalents	348.26	118.63
Others financial assets - current	330.18	234.85
Total financial assets measured at amortised cost	773.53	418.76
Financial liabilities :-		
Borrowings	6,596.74	6,296.74
Trade payables	2,498.96	627.00
Others financial liabilities - current	2,797.74	1,544.67
Others financial liabilities - non current	46.00	929.85
Total financial liabilities measured at amortised cost	11,939.44	9,398.26

The Management assessed that fair values of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortized cost is considered to be a reasonable approximation of fair value.

32.3 - Financial and liquidity risk management objectives :

- The Company has a policy of investing surplus funds in fixed deposits with bank.
- The average payment terms of creditors (trade payables) is in the range of 30-45 days. In case of MSMED creditors the payment terms are within 45 days. Other financial liabilities viz. employee payments, dealer deposits are payable within one year.
- Trade receivables, Company has cash and carry policy.

32.4 - Foreign currency risk :

The Company has no direct foreign currency exposure for its regular transactions. Hence, no foreign currency risk is involved.



MLR AUTO LIMITED**Notes to the financial statements for the year ended 31st March 2024****32.5 Market risk - interest rate****(i) Liabilities :**

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31st March 2024, the Company is not exposed to changes in market interest rates as the borrowings are at fixed interest rates.

(ii) Assets :

The Company's financial assets are carried at amortised cost and are at fixed rate. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

32.6 - Credit risk management :

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The credit risk on receivables is limited as the nature of the business is advance driven. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties. The credit risk for cash and cash equivalents, bank deposits and security deposits is considered negligible.

32.7 Liquidity risk :

The Company requires funds both for short-term operational needs as well as for long-term expansion programs. The Company remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Company manages liquidity risk by maintaining adequate support of facilities from its Holding Company, and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company's financial liability is represented significantly by long term and short term borrowings from Holding Company, erstwhile directors/directors and body corporates and trade payables.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31st March 2024, 31st March 2023

Particulars	(Rs in Lakhs)			
	Less than 1 year	1-2 years	2 years and above	Total
As at 31st March 2024				
Borrowings	5,296.74	1,300.00	-	6,596.74
Trade Payable	2,498.96	-	-	2,498.96
Other financial liabilities	2,797.74	46.00	-	2,843.74
As at 31st March 2023				
Borrowings	650.00	1,380.00	4,266.74	6,296.74
Trade Payable	627.00	-	-	627.00
Other financial liabilities	1,146.46	907.33	-	2,053.79

32.8 Capital management :

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor to sustain future development of the business with continuous financial support from its Holding Company (Also refer Note 35).



MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024

33 Financial ratios :						
Ratio/Measure	Methodology	For the year ended 31st March 2024	For the year ended 31st March 2023	Change	Remarks	
(a) Current Ratio	Current Assets over Current liabilities	0.21	0.43	-51.54%	On account of increase in current liabilities due to certain long-term borrowings falling due in FY25 as per the terms of borrowings.	
(b) Debt-Equity Ratio *	Debt over total shareholders' equity	NA	NA			
(c) Debt Service Coverage Ratio *	Profit before taxes over debt	NA	NA			
(d) Return on Equity Ratio *	Profit after taxes over total average equity	NA	NA			
(e) Inventory turnover ratio	Adjusted cost of goods sold over average inventory	7.08	5.51	28.65%	On account of higher purchases made due to increased volume of business.	
(f) Trade Receivables turnover ratio	Revenue from operations over average trade receivables	0.49	0.00	100.00%	On account of sales made to dealers on credit basis.	
(g) Trade payables turnover ratio	Adjusted purchases over trade payables	4.94	9.17	-46.09%	On account of higher purchases made due to increased volume of business.	
(h) Net capital turnover ratio*	Revenue from operations over average working capital	NA	NA			
(i) Net profit ratio	Profit after taxes over revenue	(0.30)	(0.59)	-49.24%	Due to increase in revenue from operations during the current year.	
(j) Return on Capital employed *	PBIT over average capital employed	NA	NA			

* Due to negative net-worth.

Notes:

PBIT : Profit before interest and taxes

Capital employed refers to total shareholders equity and debt.

34 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

35 The Company has incurred a net loss of Rs. 2,590.71 lakhs during the year ended 31st March 2024 and, as of that date, the Company's current liabilities exceeded its current assets by Rs. 8,779.20 lakhs and the Company has a negative net worth amounting to Rs. 7,707.82 lakhs. Whilst these events or conditions may cast significant doubt on the entity's ability to continue as a going concern, the financial statements have been prepared on a basis that there is no material uncertainty on the Company's ability to continue as a going concern considering that the Holding company, Greaves Electric Mobility Private Limited has committed to extend necessary financial and other support to the Company to meet its financial obligations as and when they fall due (by infusing funds into the Company, as required) and to not recall the dues payable by the Company to the Holding Company. During the year, the Holding Company has infused equity and provided loans, the operations of the Company have been scaled up including launches of new models/variants of three wheeled Vehicles and the Management has prepared long-term growth plans/the proposed expansion of operations during FY 24-25.

(i) The Companies (Accounts) Amendments Rules 2022, with effect from August 05, 2022, mandate that the back-up of the books of account and other books and papers of the Company maintained in electronic mode including at a place outside India, shall be kept in servers physically located in India on a daily basis. The Company has maintained daily back-ups of such books of accounts in servers physically located in India. However, there were no evidence available to demonstrate that back-up of such books was maintained on daily basis in servers physically located in India.

(ii) As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, for the financial year commencing on or after the 1st day of April 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

36 The Company used TCS ION as its accounting software which is operated by a third party software service provider for recording all the accounting transactions viz., sales, purchases, production/costing, fixed assets, payroll, other expenses, cash and bank transactions, journal entries and all other general ledger accounting transactions for the year ended March 31, 2024. The audit trail feature of such software was not fully enabled throughout the year.

The Management has adequate manual controls and certain IT controls viz., access controls for critical master data which are operating, to prevent inappropriate/unauthorized changes to the books of account. The Management will work towards enabling edit logs in the aforesaid software in the near future.



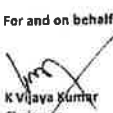
MLR AUTO LIMITED
Notes to the financial statements for the year ended 31st March 2024


- 37 Additional regulatory information :
- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
 - (ii) The Company does not have any transactions with companies struck off u/s 248(5) of the Companies Act, 2013.
 - (iii) The Company does not have any charges of satisfaction which is yet to be registered with the ROC beyond the statutory period except for below :

Brief description of the charge	Location of the Registrar	The period by which such charge had to be registered	Reason for delay in registration
Holding Company - Borrowing	Hyderabad	23-Aug-22	Delay in release of original land documents by TSIC


(iv) The figures for the corresponding previous year have been regrouped wherever necessary, to make them comparable with the figures of the current year.

For and on behalf of Board of Directors


K Vijaya Kumar
 Chairman
 DIN: 06630397
 Bangalore
 Date: 30th April 2024


Nirma NR
 Wholetime Director & CEO
 DIN: 10039675
 Bangalore
 Date: 30th April 2024


Jatindra Dighe
 Chief Financial Officer
 Hyderabad
 Date: 30th April 2024


Saurabh Jain
 Company Secretary
 Hyderabad
 Date: 30th April 2024

