G G Engineering Limited
L28900MH2006PLC159174
Standalone Balance Sheet as at March 31st, 2023

(In Lakhs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	40.74	60.59
(b) Financial Assets			
(i) Investments	4	2,711.04	532.75
(ii) Loans	5	20.00	20.33
(iii) Other Financial Asset	6	62.19	9.68
(c) Other Non-current Assets			
(i) Deferred Tax Assets (Net)	16	8.27	-
Total Non-Current Assets		2,842.25	623.35
Current Assets			
(a) Inventories	8	-	46.62
(b) Financial Assets			
(i) Trade Receivables	9	8,538.38	898.53
(ii) Cash and Cash Equivalents	10	175.14	9.63
(iii) Loans	11	101.13	264.30
(c) Other Current Assets	12	36.65	34.00
Total Current Assets		8,851.30	1,253.08
TOTAL ASSETS		11,693.54	1,876.42
EQUITY AND LIABILITIES			
EQUITY			
(a) Share Capital	13	3,806.79	1,031.00
(b) Other Equity	14	3,472.40	585.04
c) Money received against share warrant			0.13
Total Equity		7,279.19	1,616.17
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	121.70	
(b) Deferred Tax Liabilities (Net)	16	-	2.92
Total Non-current Liabilities		121.70	2.92
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	50.62	143.02
(ii) Trade Payables	17		
Total outstanding dues of Micro & Small Enterprises		0.08	-
Total outstanding dues of creditors other than Micro & Small Enterprises		3,993.26	10.24
(b) Other current liabilities	18	248.70	104.06
Total Current Liabilities		4,292.66	257.32
TOTAL EQUITY AND LIABILITIES		11,693.54	1,876.42

The accompanying notes from 1 to 38 are an integral part of these standalone IND AS Financial Statements

As per our Report of even date attached
For A. K. Bhargav & Co.
Chartered Accountants
FRN : 034063N

A K BHARGAV & Co. NEW DELHI Chartered Accountants

(CA ARUN KUMAR BHARGAV)
(Proprietor)
Membership No. 548396
UDIN : 23548396BGXHOK8965
Date : 19/04/2023
Place : Delhi

For & on behalf of the Board of Directors of G G Engineering Limited

Atul Sharma
Managing Director
DIN No: 08290588

Deepak Kumar Gupta
Whole Time Director
DIN No.: 00057003

Meghna Kashtwal
Company Secretary
CXCPK5668K

Prakash Kukreja
Chief Financial Officer
ASTPK1748E

G G Engineering Limited
L28900MH2006PLC159174
Standalone Statement of Profit and Loss for the year ended March 31st, 2023

(In Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I	Revenue from Operations	19	9,956.70	1,514.39
II	Other Income	20	1,126.13	33.54
III	**Total Income (I+II)**		11,082.83	1,547.93
IV	Expenses			
	Cost of materials consumed	21	-	-
	Purchases of Stock -in-Trade	22	9,748.06	1,396.51
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	23	46.62	109.75
	Employee benefit expenses	24	24.88	13.80
	Finance costs	25	1.70	-
	Depreciation and amortization expenses	26	11.41	24.04
	Other Expenses	27	374.06	34.64
	Total Expenses (IV)		10,206.73	1,578.74
V	**Profit/(Loss) before exceptional items and tax (I-IV)**		876.09	-30.81
VI	Exceptional Items			
VII	**Profit/(Loss) before tax (V-VI)**		876.09	-30.81
VIII	Tax Expense:			
	(1) Current Tax		94.47	
	(2) Deferred Tax		-11.20	-28.20
	(Short)/Excess Provison of Tax			-17.62
IX	**Profit/(Loss) for the period from continuing operations (VII-VIII)**		792.83	-20.22
X	Profit/(Loss) from discontinued operations	28	-	-3.70
XI	Tax expense of discontinued operations		-	-
XII	**Profit/(Loss) from Discontinued Operations (after tax) (X-XI)**		-	-3.70
XIII	**Profit/(Loss) for the period (IX+XII)**		792.83	-23.92
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		0.62	1.69
	(ii) Income tax relating to items that will be reclassified to profit or loss		-0.16	-0.44
	Total Comprehensive Income for the period (XIII+XIV)		793.29	-22.67
XIV	Earnings per Equity Share	30		
	(1) Basic		0.31	-0.05
	(2) Diluted		0.31	-0.04

The accompanying notes from 1 to 38 are an integral part of these standalone IND AS Financial Statements

As per our Report of even date attached
For A. K. Bhargav & Co.
Chartered Accountants
FRN : 034063N

(CA ARUN KUMAR BHARGAV)
(Proprietor)
Membership No. 548396
UDIN : 23548396BGXHOK8965
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For & on behalf of the Board of Directors of
G G Engineering Limited

Atul Sharma
Managing Director
DIN No: 08290588

Deepak Kumar Gupta
Whole Time Director
DIN No.: 00057003

Meghna Kashtwal
Company Secretary
CXCPK5668K

Prakash Kukreja
Chief Financial Officer
ASTPK1748E

G G Engineering Limited
L28900MH2006PLC159174
Standalone Statement of Cash Flow Statement for the year ended March 31st, 2023

(In Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
A. Cash Flow from Operating Activities:		
Net profit before Tax	792.83	-30.81
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortisation	11.41	24.04
Interest income	-3.43	-10.17
Prior Period Adjustments	-0.70	-
Profit/(Loss) on Sale of Assets	-	3.45
Adjustment of IndAS	-14.35	-
Sundry Balances Written Off		8.49
Interest expense	1.70	0.00
Operating Profit before Working Capital Changes	787.45	-5.01
Adjustments for movement in Working Capital:		
(Increase)/Decrease in Other non-Current Assets	-	-
(Increase)/Decrease in Trade receivable	-7,639.84	-348.06
(Increase)/Decrease in Current Loans	163.17	-232.44
(Increase)/Decrease in Other Financial Asset	-52.51	4.93
(Increase)/Decrease in Other Current Assets	-2.65	1.28
(Increase) / Decrease in Inventories	46.62	171.87
Increase/(Decrease) in Trade Payables and other current liabilities		-
Increase /(Decrease) in Trade Payables	3,983.10	-562.69
Increase /(Decrease) in Deferred Tax Liabilities	-2.92	-28.20
Increase/ (Decrease) in Other Current Liabilities	144.64	-31.39
		-
Cash Generated from Operations	-2,572.95	-1,029.71
Direct Taxes paid (net of refund)	-8.27	-17.40
Net Cash from Operating Activities	-2,581.23	-1,047.11
B. Cash Flow from Investing Activities:		
Purchase of Property, Plant and Equipment	-1.47	-
Sale of Property, Plant and Equipment		1,198.22
Investments in Subsidiaries	-2,178.29	-
Interest Income	3.43	10.08
Net Cash used in Investing Activities	-2,176.33	1,208.30
C. Cash Flow from Financing Activities:		
Proceeds/Repayment of Long term borrowings	121.70	-69.76
Interest Paid	-1.70	-37.25
Increase in Loans & Advances	0.33	-1.46
Proceeds/Repayment of Short term borrowings	-92.40	-233.02
Proceeds from Issue of shares	4,999.56	-
Charges for right issue	-104.29	-
Adjustment agst. Share Warrants	-0.13	141.00
Net Cash used in Financing Activities	4,923.07	-200.49
Net Increase/(Decrease) in Cash and Cash equivalents	165.51	-39.31
Cash and Cash equivalents - Opening Balance	9.63	15.39
Net Change in Cash and Cash equivalents	175.14	-23.92
Cash and Cash equivalents - Closing Balance	175.14	9.63
Components of Cash and Cash Equivalents		
Bank balance in current account	162.10	0.92
Cash on hand	13.04	8.70
Total	175.14	9.63

Note: The standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) statement of cash flows

As per our attached report of even date.
For A. K. Bhargav & Co.
Chartered Accountants
FRN : 034063N

A. K. BHARGAV & Co. NEW DELHI Chartered Accountants

(CA ARUN KUMAR BHARGAV)
(Proprietor)
Membership No. 548396
UDIN : 23548396BGXHOK8965
Date : 19/04/2023
Place : Delhi

For & on behalf of the Board of Directors of G G Engineering Limited

Atul Sharma **Managing Director** **DIN No: 08290588**	**Deepak Kumar Gupta** **Whole Time Director** **DIN No.: 00057003**
Meghna Kashtwal **Company Secretary** **CXCPK5668K**	**Prakash Kukreja** **Chief Financial Officer** **ASTPK1748E**

G G Engineering Limited
Standalone Statement of Changes in Equity for the year ended March 31st, 2023

A Equity Share Capital

(In Lakhs)

Balance as at April 1, 2022	Changes in the equity share capital during the current year	Balance as at March 31, 2023
1,031.00	2,775.78	3,806.79

Balance as at April 1, 2021	Changes in the equity share capital during the current year	Balance as at March 31, 2022
1,031.00	-	1,031.00

B. Other Equity

(In Lakhs)

As at	Reserves and Surplus		Money received against share warrants	Total
	Securities Premium Reserve	Retained Earnings		
As at April 1, 2022	297.00	288.04	0.13	585.17
Restated balance at the beginning of the reporting period				-
Profit for the year		792.83		792.83
Total Comprehensive Income for the year		0.62		0.62
Premium Against Share Warrant received during the year	2,118.87			2,118.87
Adjustment against share warrants			-0.13	-0.13
Issue of Shares				-
Discounting for Financial Asset		-24.96		-24.96
As at March 31, 2023	2,415.87	1,056.53	-0.00	3,472.40

As at April 1, 2021	156.00	310.28	0.13	466.40
Restated balance at the beginning of the reporting period		-	-	-
Profit for the year		-23.92	-	-23.92
Total Comprehensive Income for the year		1.69	-	1.69
Premium Against Share Warrant received during the year	141.00			141.00
Receipt on Issue of Shares		-	-	-
Converted to Bonus			-	-
As at March 31, 2022	297.00	288.04	0.13	585.17

The accompanying notes from 1 to 38 are an integral part of these standalone IND AS Financial Statements

As per our Report of even date attached
For A. K. Bhargav & Co.
Chartered Accountants
FRN : 034063N

A.K. BHARGAV & Co. NEW DELHI Chartered Accountants

(CA ARUN KUMAR BHARGAV)
(Proprietor)
Membership No. 548396
UDIN : 23548396BGXHOK8965
Date : 19/04/2023
Place : Delhi

For & on behalf of the Board of Directors of
G G Engineering Limited

Atul Sharma
Managing Director
DIN No: 08290588

Deepak Kumar Gupta
Whole Time Director
DIN No.: 00057003

Meghna Kashtwal
Company Secretary
CXCPK5668K

Prakash Kukreja
Chief Financial Officer
ASTPK1748E

G G Engineering Limited
Standalone Notes Forming part of Balance sheet as on March 31st, 2023

Note 1 : Corporate Information
GG Engineering Limited ("the Company") is a company limited by shares having its registered office at Office No. 203,2nd Floor, Shivam Chambers Coop Soc Ltd. S.V Road,Goregaon West, Near Sahara Apartment Mumbai - 400 104. From Ghaziabad, Uttar Pradesh, the company is trading into Iron and Steel Metals.

Note 2 : Significant Accounting Policies
The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

2.1 Basis of preparation of Financial Statements
a) Statement of compliance with Ind AS:
These financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant schedule III), as are applicable.

b) Basis of measurement
These financial statements are prepared under the historical cost convention except for the following material items that have been measured at fair value as required by relevant Ind AS :
- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;
- defined benefit plans - plan assets measured at fair value;
- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial
Historical cost is generally based on the fair value of the consideration given in exchange for assets.
Fair value measurement:
Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity- specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.
A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.
Where required/appropriate, external valuers are involved.

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy established by Ind AS 113, that categorises into three levels, the inputs to valuation techniques used to measure fair value. These are 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:
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(i.e. as prices) or indirectly(i.e. derived from prices).
Level 3 inputs are unobservable inputs for the asset or liability.
The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).
For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.
The Company recognises transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

c) Current non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.
A liability is current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

A.K. BHARGAV & Co. NEW DELHI Chartered Accountants

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products / services and time between acquisition of assets for processing / rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

d) 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 the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company

e) Rounding of amounts:
All amounts disclosed in the financial statements and notes are in Indian Rupees as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.2 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an "ongoing basis". Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Revenue recognition

Sale of goods

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue (other than sale)

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS/RoDTEP and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that the Company will comply with the conditions attached to them and the export benefits will be received.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

2.4 Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of an item of property, plant and equipment comprises –

i. its purchase price, including import duties and non –refundable purchase taxes (net of duty/ tax credit availed), after deducting trade discounts and rebates.

ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.

iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalised in accordance with the Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost, less impairment losses if any.

A K BHARGAV & CO. NEW DELHI Chartered Accountants

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset

On transition to Ind AS:

Under the Previous GAAP, all property, plant and equipment were carried at in the Balance Sheet on basis of historical cost. In accordance with provisions of Ind AS 101 First time adoption of Indian Accounting Standards, the Company, for certain properties, has elected to adopt fair value and recognized as of April 1, 2016 as the deemed cost as of the transition date. The resulting adjustments have been directly recognized in retained earnings. The balance assets have been recomputed as per the requirements of Ind AS retrospectively as applicable

Depreciation:

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the straight line method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of the Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment (considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule

Assets	Useful Life
Factory Building	60 years
Plant & Machinery	5 – 25 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Vehicles	8 - 10 years
Computer	3 years

*Based on internal technical evaluation and external advise received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing Rs. 5000 or less are fully depreciated in the year of acquisition.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

Measurement of Fair Value:

a) Fair value hierarchy:

The fair value of freehold and leasehold land has been determined by external, independent property valuers, having appropriate recognised professional qualifications and experience in the category of the property being valued. The fair value measurement has been categorised as level 2 fair value based on the inputs to the valuations technique used.

b) Valuation technique:

Value of the property has been arrived at using market approach using market corroborated inputs. Adjustments have been made for factors specific to the assets valued including location and condition of the assets, the extent to which input relate to items that are comparable to the assets and the volume or the level of activity in the markets within which the inputs are observed.

2.5 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets with finite useful lives are recognised at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as 'intangible assets under development".

Intangible assets are derecognised (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised as income or expense in the statement of profit

Deemed cost on transition to Ind AS:

Under the Previous GAAP, all Intangible assets were carried at in the Balance Sheet on basis of historical cost. The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Amortisation:

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets from the date when the asset are available for use, on pro-rata basis.

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted prospectively.

A K BHARGAV & Co. NEW DELHI Chartered Accountants

2.6 Financial Instruments

Financial Assets:

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument

On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

Financial assets are subsequently classified and measured at

- amortised cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding)
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

Equity Instruments:

Investment in subsidiaries are measured at cost less impairment losses, if any.

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair

If the equity investment is not held for trading, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

The Company does not have any equity investments designated at FVOCI.

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Asset:

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

Financial Liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to the Company, the difference between the loan amount and its fair value is treated as an equity contribution to the Company.

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In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

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

Off setting of Financial Instruments

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

2.7 Impairment of Non-financial assets

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.8 Borrowing costs

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time considering project as a whole to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for Capitalisation.

2.9 Foreign currency transactions

The financial statements are presented in Indian Rupees (INR), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

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.

Under Previous GAAP, the Company had opted for paragraph 46A of Accounting Standard for 'Effect of Changes in Foreign Exchange Rates' (AS 11) which provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable capital asset can be added to or deducted from the cost of the asset and should be depreciated over the balance life of the asset.

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Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Company has elected to avail this optional exemption. However, the capitalization of exchange differences is not allowed on any new long term foreign currency monetary item recognized from the first Ind AS financial reporting period.

2.10 Inventories

Inventories are valued at the lower of cost and net realisable value

Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.

- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

-Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories To their present Location and condition. cost is determined on first in first out basis.

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

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

2.11 Employee benefits

Short- term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

Post-employment benefits :

i) Defined contribution plan

The defined contribution plan is post employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan

The Company's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

Other long-term employee benefit obligations:

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

2.12 Government Grant:

Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants :

a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.

b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

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2.13 Non-current assets held for sale and discontinued operations

Non-current assets (or disposal group) are classified as "held for sale" if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for "held for sale" is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable, and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

If the criteria for held for sale is no longer met, the asset ceases to be classified as held for sale and the asset shall be measured at the lower of :

(a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale, and

(b) its recoverable amount at the date of the subsequent decision not to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as "held for sale" are not depreciated or amortised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

2.14 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses unabsorbed tax depreciation. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred Tax asset relating to the deductible temporary difference arises from the initial recognition of an Assset or Liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets 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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

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Uncertain Tax Issue:

The company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty

In determining the approach that predicts the resolution of the uncertainty, the Company has considered most likely amount method & expected value method Company adopted most likely amount method for resolution of the uncertainty of its tax treatment

The company determined, based on its tax compliance that it is probable that its tax treatment will be accepted by taxation authorities

2.15 Provisions and contingencies

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 an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre- tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Contingencies:

Contingent liabilities

A contingent liability is:

• a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or

• a present obligation that arises from past events but is not recognised because :

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

2.16 Related party

A related party is a person or entity that is related to the reporting entity and it includes :

(a) A person or a close member of that person's family if that person:

(i) has control or joint control over the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to the reporting entity if any of the following conditions apply:

(i) The entity and the reporting entity are members of the same Group.

(ii) One entity is an associate or joint venture of the other entity.

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

(a) that person's children, spouse or domestic partner, brother, sister, father and mother;

(b) children of that person's spouse or domestic partner; and

(c) dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statements are in accordance with the above definition as per Ind AS 24.

2.17 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and cash on hand and short term deposits/investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by the Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

2.18 Dividend to equity share holders of the Company

The company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

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2.19 Cash Flow Statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature,

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and

iii. all other items for which the cash effects are investing or financing cash flows.

2.20 Earnings per share

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e. the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

2.21 Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

2.22 Exceptional Items

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the financial statements.

2.23 Standards notified but not yet effective

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. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

Ind AS 16 – Property, Plant and equipment-The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets–The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Ind AS 103 – Reference to Conceptual Framework - The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

2.24 CSR Policy

Reference to the cited provisions of section 135 of the Companies Act, 2013, CSR activities are not applicable on the company.

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G G Engineering Limited
Standalone Notes Forming part of Balance sheet as on March 31st, 2023

(In Lakhs)

Note 3 : Property, Plant and Equipment

Particulars	Freehold Land	Buildings	Plants and Equipment	Computers	Furniture & Fixtures	Total
Cost/Deemed Cost						
At 31st March, 2021	936.46	114.59	324.27	4.13	-	1,379.44
Additions						-
Deletions	936.46	92.47	144.86	0.39	-	1,174.18
At 31st March, 2022	-	22.12	179.40	3.74	-	205.26
Additions	-	-	0.30	1.14	0.04	1.47
Deletions	-	-	-	-	-	-
At 31st March, 2023	-	22.12	179.71	4.88	0.04	206.74
Depreciation and Impairment						
At 31st March, 2021	-	20.70	96.34	3.60	-	120.64
Depreciation charge for the year	-	1.42	22.48	0.14	-	24.04
Disposals						-
At 31st March, 2022	-	22.12	118.82	3.74	-	144.67
Depreciation charge for the year	-	-	20.73	0.58	0.01	21.32
Disposals						
At 31st March, 2023	-	22.12	139.55	4.32	0.01	165.99
Net Book Value						
At 31st March, 2023	-	-	40.15	0.56	0.03	40.74
At 31 March 2022	-	-	60.59	-	-	60.59

All the ROC charges against the assets of the company have been satisfied

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G G Engineering Limited
Standalone Notes Forming part of Balance sheet as on March 31st, 2023

Note 4 : Non Current Investments

(Amount in Lakhs, Except no. of shares)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Investments in Equity Instruments				
Unquoted				
Subsidiaries (at cost or deemed cost)				
Shashi Beriwal & Pvt Ltd Company,equity shares of Rs. 10 each fully paid up	-	-	5,60,527	533
Investments Stated at Fair Value through Profit & Loss Statement				
Equity shares of The Saraswat Co-operative Bank Ltd	-	-	2,500	0
Equity shares of Adcon Capital Services Ltd.	100	0.00		
Equity shares of Advik Capital Ltd	24,04,761	90.18		
Equity shares of G I Engi.	90,00,000	1,260.90		
Equity shares of Integra Essentia ltd.	2,07,22,556	1,251.64		
Equity shares of Hazoor Multi Projects ltd	8,500	7.80		
Equity shares of Industrial Investment Trust	10,500	9.09		
Equity shares of Sindhu TradeLinks Ltd.	1,16,827	20.05		
Equity shares of Sunayaana Investment Com. Ltd	7	0.00		
Equity shares of Swastik Pipe Ltd.	90,000	71.37		
Total	**3,23,53,251**	**2,711.04**	**5,63,027**	**533**

The Company has sold out 51.38% stake in its Subsidary company " M/s Shashi Beriwal & Co. Pvt Ltd." on October 14th' 2022. Accordingly, M/s Shashi Beriwal & Co. Pvt Ltd. ceases to exist Subsidary for period ended March'2023.

Equity Investment in Associate company i.e. G.I. Engineering Solutions Limited taken at fair value in accordance with Ind AS-27. Company holds 24.82 % shares in its Associate company.

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Standalone Notes Forming part of Balance sheet as on March 31st, 2023

Note 5 : Loans (Non Current Assets)

(in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Repayable on Demand		
Kamlesh Kumar Rathi	20.00	20.00
Kamal Ispat Pvt Ltd	-	0.33
Total	20.00	20.33

Note 6 : Other Financial Assets

(in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	56.46	5.18
Term deposits with banks with maturity period more than 12 months	5.73	4.50
Total	62.19	9.68

Note 7 : Other Non current Assets

(in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
	-	-
Total	-	-

Note 8 : Inventories

(in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials	-	4.91
Work-in-Progress	-	-
Finished Goods	-	41.71
Total	-	46.62

Note 9 : Trade Receivables

(in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured and considered good		
From Related Parties	-	-
From Others	8,538.38	895.45
Doubtful		
From Related Parties	-	-
From Others	-	3.08
Less: Allowance for doubtful debts	-	-
Total	**8,538.38**	**898.53**

Ageing Schedule for Trade Receivables for F.Y 2022-23

(in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
i) Undisputed Trade Receivables-Considered Good	4,133.86	4,345.23	59.29	-	-	8,538.38
ii) Undisputed Trade Receivables- which have significant increase in credit risk						
iii) Undisputed Trade Receivables- credit impaired						
iv) Disputed Trade Receivables-Considered Good						
v) Disputed Trade Receivables- which have significant increase in credit risk						
vi) Disputed Trade Receivables- credit impaired						
Total	**4,133.86**	**4,345.23**	**59.29**	**-**	**-**	**8,538.38**

Ageing Schedule for Trade Receivables for F.Y 2021-22

(in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1 to 2 Years	2 to 3 Years	More than 3 Years	Total
i) Undisputed Trade Receivables-Considered Good	821.15	58.40	3.04	9.52	3.33	895.45
ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables-Considered Good	-	-	-	-	-	-
v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	3.08	3.08
vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Total	**821.15**	**58.40**	**3.04**	**9.52**	**6.42**	**898.53**

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Note 10 : Cash and Cash Equivalents (in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(A) Cash and Bank Balances		
Bank balance in current account	162.10	0.92
Cash in hand	13.04	8.70
Total	175.14	9.63

Note 11 : Loans and Advances (Current Asset) (in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans to Subsidiary- Shashi Beriwal & CO. Pvt. Ltd	-	154.74
Loans to others	35.65	102.58
Advance to Vendors	65.48	6.99
Total	101.13	264.30

Note 12 : Other Current Assets (in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deposits for IT Appeal for AY 17-18	15.05	15.05
Balances with Government Authorities	21.60	17.91
Interest accured but not due	-	1.04
Total	36.65	34.00

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G G Engineering Limited
Standalone Notes Forming part of Balance sheet as on March 31st, 2023
Note 13 : Share Capital (Amount in Lakhs, Except no. of shares)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of Rs. 2 each	-	-	5,25,00,000	1,050.00
Equity Shares of Rs. 1 each	50,00,00,000	5,000.00	-	-
Issued, Subscribed and Fully Paid up				
Equity Shares of Rs. 2 each	-	-	5,15,50,225	1,031.00
Equity Shares of Rs. 1 each	38,06,78,585	3,806.79		
Total	38,06,78,585	3,806.79	5,15,50,225	1,031.00

a) Reconciliation of number of Ordinary (Equity) Shares and amount outstanding :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity Share:				
Balance as at the beginning of the year	10,31,00,450	1,031.00	5,15,50,225	1,031.00
Add: Issued during the year for Cash	27,75,78,135	2,775.78	-	-
Add: Issued during the year as Bonus			-	-
Balance as at the end of the year	38,06,78,585	3,806.79	5,15,50,225	1,031.00

b) Rights, preferences and restrictions attached to shares

(i) During the year ended 31st March, 2023, the Company has split its share in the ratio of 1:2, hence reducing the face value per share from Rs. 2 to Re. 1 per share.

(ii) The Company has received proceeds of Right issue in year ended March 2023, wherein fully paid 27,75,78,135 equity shares of Rs. 1/- each at a premium of Rs. 0.80/- per share, alloted on Rights basis to the eligible shareholders, in its Bank Account. The company is in the process of deploying these funds as per the objects of the Right Issue.

(iii) During the year ended March, 2022 the Company has split its share in the ratio of 1:5, hence reducing the face value per share from Rs. 10 to Rs. 2 per share.The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Praveen Kurele	2,00,00,000	5.25%	-	0.00%
Stepping Stone Construction Pvt Ltd	-	0.00%	41,90,763	8.13%
Total	2,00,00,000	5.25%	41,90,763	8.13%

d) Disclosure of Shareholding of Promoter

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Name of Promoter	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Vinod Beriwal	-	0.00%	8,66,665	1.68%	1.68%
Kamal Beriwal	73,33,330	1.93%	8,66,665	1.68%	-0.25%
Shashi Devi	-	0.00%	830	0.00%	0.00%
Total	73,33,330	1.93%	17,34,160	3.36%	1.44%

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Name of Promoter	As at March 31, 2022		As at March 31, 2021		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Vinod Beriwal	8,66,665.00	1.68%	16,50,000	16.00%	14.32%
Kamal Beriwal	8,66,665.00	1.68%	15,00,000	14.55%	12.87%
Sangeeta Beriwal	-	-	16,08,333	15.60%	15.60%
Rashi Gupta	-	-	7,75,000	7.52%	7.52%
Shashi Devi	830.00	0.00%	166	0.00%	0.00%
Ashok Beriwal	-	-	166	0.00%	0.00%
Total	17,34,160	3.36%	55,33,665	53.67%	50.31%

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Standalone Notes Forming part of Balance sheet as on March 31st, 2023

Note 13A: Utilisation of Right Issue Proceeds

During the financial year ending 31st March'2023, the company has completed a right issue (IPO) dated 13th September'2022 27,75,78,135 Shares in right issue @ Rs 1.80 per share. The shares were allotted on 16th September'2022 and were listed on Bombay stock exchange & National Stock Exchange of India.

A. Proceeds from subscription to the Issue of Equity shares under Rights Issue of 2022-23, made during the year ended March 31, 2023 have been utilised in the following manner:

Objects Right Issue			(In Lakhs)	
S.No.	**Particulars**	**Amounts**	**Objects Fulfilled**	**Balance**
1	Meeting Working Capital Requirements	3,690.00	3,690.00	-
2	General corporate purposes	1,231.41	1,231.41	-
3	Issue related expenses	75.00	75.00	-
	Total	**4,996.41**	**4,996.41**	**-**
	Less: Non Receipts of Call Money	-	-	-
	Net Proceeds from the Right Issue	**4,996.41**	**4,996.41**	**-**

Sub Notes:

(1) The Company has made investments of Rs. 1555.15 Lakhs in GI Engineering, Right Issue if M/s Integra Essentia Ltd and Unity Buildwell ltd.

(2) The proceeds from right issues during the year for the purpose of meeting working capital requirements were utilized in working capital of the Company by payment to outstanding suppliers and advance payment to suppliers for purchase of goods.

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(in Lakhs)

Note 14 : Statement of changes in other equity

Other Equity	Securities Premium Reserve	Retained Earnings	Items of Other Comprehensive Income	Total
Balance as at 1st April, 2022	297.00	289.36	-1.32	585.04
Profit/(Loss) for the year	-	792.83	0.62	793.45
Shares issued during the year	2,118.87	-	-	2,118.87
Discounting for Financial Asset	-	-24.96	-	-24.96
Balance as at 31st March, 2023	**2,415.87**	**1,057.23**	**-0.70**	**3,472.40**
Balance as at 1st April, 2021	156.00	313.28	-3.01	466.28
Profit/(Loss) for the year	-	-23.92	1.69	-22.23
Premium Against Share Warrant received during the year	141.00	-	-	141.00
Shares issued during the year	-	-		-
Bonus issued during the year	-	-		-
Balance as at 31st March, 2022	**297.00**	**289.36**	**-1.32**	**585.04**

Note:
The Company has received proceeds of Right issue in year ended March 2023, wherein fully paid 27,75,78,135 equity shares of Rs. 1/- each at a premium of Rs. 0.80/- per share, alloted on Rights basis to the eligible shareholders, in its Bank Account. The company is in the process of deploying these funds as per the objects of the Right Issue.

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Note 15 : Borrowings

(in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Non-current	Current	Non-current	Current
Bonds				
Term Loans:				
Secured	-	-	-	10.42
Unsecured	121.70	50.62	-	132.60
Total	121.70	50.62	-	143.02

(in Lakhs)

Particulars	Security	Amount in Rupees			
		As at March 31, 2023		As at March 31, 2022	
		Non-current	Current	Non-current	Current
Term Loans: Secured					
Rupees Loan for Motor Car	Secured against Car, repayable within 5 years as per repayment schedule at the rate of interest of 8.49%.		-	-	0.47
Rupees Loan for Truck	Secured against Truck, repayable within 5 years as per repayment schedule at the rate of interest of 10.5%.		-	-	9.96
Total		-	-	-	10.42

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Note 16 : Deferred Tax Assets/Liabilities (Net)

In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax liabilities		
Depreciation		2.19
Other timing difference		0.73
Deferred tax assets		
Depreciation	-0.83	
Other timing difference	-7.44	-
Total	-8.27	2.92

Reconciliation of deferred tax assets

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2.92	31.13
Tax credit during the year recognised in Statement of profit and loss	-11.20	-28.20
Other timing difference	-8.27	2.92

Note 17 : Trade Payables

In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Due to Micro, Small and Medium Enterprises	0.08	-
Due to Others	3,993.26	10.24
Total	3,993.34	10.24

Trade Paybles ageing Schedule for the F.Y 2022-23

In Lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	0.08	-	-	-	0.08
ii) Others	3,992.47	0.79	-	-	3,993.26
iii) Disputed Dues- MSME					
iv) Disputed Dues- Others					
Total	3,992.55	0.79	-	-	3,993.34

Trade Paybles ageing Schedule for the F.Y 2021-22

In Lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	-	-	-	-	-
ii) Others	10.24	-	-	-	10.24
iii) Disputed Dues- MSME	-	-	-	-	-
iv) Disputed Dues- Others	-	-	-	-	-
Total	10.24	-	-	-	10.24

Note 18 : Other Current Liabilities

In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Revenue received in advance:		
Advance received from customers	166.08	68.38
(b) Other Payables		
Statutory Due Payable	79.77	34.17
Audit Fees Payable	0.60	0.70
Provision for expenses	2.25	0.81
Total	248.71	104.06

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Standalone Notes Forming part of Balance sheet as on March 31st, 2023

Note 19 : Revenue from Operations

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Sale of Products		
Trading Goods	9,867.64	1,514.39
Other Operating Revenues		
Facilitation Charges	89.06	-
Total	**9,956.70**	**1,514.39**

Note 20 : Other Income

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest Income from:		
Other Interest Income	3.43	10.08
Interest on Income Tax Refund	-	0.09
Profit on Sale of Investment	593.15	11.67
Sundry Credit Balance Written off	-	11.70
Miscellaneous Income	529.55	-
Total	**1,126.13**	**33.54**

Note 21 : Cost of Materials Consumed

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials Consumed		
Raw Materials at the beginning of the year		
Add: Purchases		
Less: Raw materials at the end of the year		
Total Cost of Raw Materials consumed	-	-
Total Cost of Materials Consumed	-	-

Note 22 : Purchase of Stock in Trade

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Purchases	9,717.41	1,396.51
Direct Expenses	30.65	-
Total Purchase of Stock in Trade	**9,748.06**	**1,396.51**

Note 23 : Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Inventories		
Finished Goods	46.62	156.37
Work-in-Process		
	46.62	156.37
Closing Inventories		
Finished Goods	-	46.62
Work-in-Process	-	-
	-	46.62
Total changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	**46.62**	**109.75**

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Note 24 : Employee Benefit Expenses

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Salaries, Wages and Bonus	15.40	0.60
Staff welfare expenses	0.08	0.20
Director's Remuneration	9.40	13.00
Total	**24.88**	**13.80**

Note 25 : Finance Costs

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest and finance charges on financial liabilities carried at amortised cost		
Interest on Bank Borrowings	0.34	-
Other Borrowing Cost	1.36	-
Total	**1.70**	-

Note 26 : Depreciation and Amortization Expenses

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Depriciation on Plant, Property and Equipment	11.41	24.04
Total	**11.41**	**24.04**

Note 27 : Other Expenses

In Lakhs

Particulars	As at 31st March, 2023	As at 31st March, 2022
Auditors Remuneration		
-Statutory Audit Fees	2.20	0.80
-Tax Audit Fees	-	0.50
Advertisements	1.79	0.13
Conveyance & Travelling	1.84	0.17
Rate and Taxes	8.07	0.00
Power & Fuel	1.10	-
Professional Charges	37.46	-
Rent Expense	9.14	1.80
Freight Charges / Transport (Net of Income)	3.77	0.65
Repairs and Maintenance		
-Plant and Machinery	0.02	-
-Others	0.13	-
Telephone & Internet Charges	0.54	-
Printing, Stationery & Courier Expenses	0.79	0.09
Misceallneous Expenses	66.19	0.38
Sundry Balances Written off	-	8.49
Bad Debts	-	13.41
Unrealised Loss on investment	240.96	-
Loss on Sale of Assets	-	8.23
Software and Subscription Expenses	0.05	-
Total	**374.06**	**34.64**

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Note 28: Profit & Loss from Discontinued Operations

In Lakhs

Sr. No.	Particulars		As at 31st March, 2023	As at 31st March, 2022
I	Revenue from Operations		-	788.13
II	Other Income		-	4.06
III	**Total Income (I+II)**		-	792.18
IV	**Expenses**			
	Cost of materials consumed		-	467.36
	Purchases of Stock -in-Trade		-	-
	Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress		-	114.67
	Employee benefit expenses		-	59.81
	Finance costs		-	37.25
	Depreciation and amortization expenses		-	-
	Other Expenses		-	116.80
	Total Expenses (IV)		-	795.89
V	**Profit/(Loss) before exceptional items and tax (I-IV)**		-	-3.70
VI	Exceptional Items			
VII	**Profit/(Loss) before tax (V-VI)**		-	-3.70
VIII	Tax Expense:			
	(1) Current Tax			
	(2) Deferred Tax			
	Short/(Excess) Provison of Tax			
IX	**Profit/(Loss) for the period from Discontinuing operations (VII-VIII)**		-	-3.70

During the Financial Year in Quarter 4 the company have discontinued its operations at the Gujrat Factory which pertained to Genset Manufacturing.

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Note 29: Related Party Disclosure

Key Management Personnel/Directors	Name of KMP
Wholetime Director	Kamal Beriwal
Wholetime Director (from 31st March, 2022)	Deepak Kumar Gupta
Wholetime Director (from 31st March, 2022)	Atul
Independent Director (from 12th March, 2022)	Nitin Bansal
Independent Director (from 12th March, 2022)	Poonam Dhingra
Independent Director (from 31st March, 2022)	Om Prakash Aggarwal
Chief Financial Officer (resigned on 23rd Sept, 2022)	Uttam Kumar
Chief Financial Officer (from 15th October, 2022)	Prakash Kukreja
Company Secretary (Appointed on 27th April 2022 & Resigned on 7th Sept, 2022)	Sapna Tehanguriya
Company Secretary (from 7th September, 2022)	Meghna Kashtwal
Company Secretary (Appointed on 13th Feb 2020 & Resigned on 27th April, 2022)	Apurva Singh

Relationship	Name of The Company
Associate Company	M/s G.I. Engineering Solutions Ltd

In Lakhs

Transactions	As at 31st March, 2023	As at 31st March, 2022
Directors Remuneration	-	-
Vinod Beriwal	-	12.00
Kamal Beriwal	-	-
Atul Sharma	6.00	-
Nitin Bansal	1.60	-
Poonam Dhingra	1.00	-
Om Prakash Aggarwal	0.80	-
Loan from Director- Deepak Kumar Gupta		
Amount Outstanding at the beginning of the year	-	
Amount received during the year	50.70	
Amount repaid during the year	-	
Amount Outstanding at the end of the year	50.70	
Loan from Director- Vinod Beriwal		
Amount Outstanding at the beginning of the year	109.24	-
Amount received during the year	4.50	113.95
Amount repaid during the year	3.84	4.71
Amount Outstanding at the end of the year	**109.90**	**109.24**
Loan from Director- Sangeeta Beriwal		
Amount Outstanding at the beginning of the year	**23.36**	-
Amount received during the year	-	23.50
Amount repaid during the year	11.56	0.14
Amount Outstanding at the end of the year	**11.80**	**23.36**
Investment in Shashi Beriwal & Company Private Limited		
Equity Shares Shashi Beriwal and Company Private Limited	-	-
Money paid against Equity Shares Shashi Beriwal and Company Private Limited	-	-
Amount receivable from Sashi Beriwal and Company Pvt Ltd at the beginning of the year	154.74	20.09
Advance to Shashi Beriwal and Company Private Limited	3.70	408.15
Money received from Shashi Beriwal and Company Private Limited	158.44	273.50
Balance Receivable at the end		
Shashi Beriwal and Company Private Limited	-	154.74
Salary to Chief Financial Officer	4.20	0.05
Salary to Company Secretary	5.51	0.48

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Note 30: Earnings per Shares	As at March 31, 2023	As at March 31, 2022
Basic EPS		
Profit for the year	792.83	-20.22
Weighted number of shares outstanding	25,29,16,594	5,15,50,225
Basic and Diluted EPS (Rs.)	0.31	-0.04
Diluted EPS		
Profit for the year	793.29	-18.97
Weighted number of shares outstanding	25,29,16,594	5,15,50,225
Basic and Diluted EPS (Rs.)	0.31	-0.04
EPS from Discontinued Operations		
Profit/(Loss) from discontinued operations	-	(3.70)
Weighted number of shares outstanding	-	5,15,50,225
EPS from Discontinued Operations	-	-0.01

Note 31: Reconciliation of effective tax rate

Particulars	As at March 31, 2023	As at March 31, 2022
Net income before tax	876.09	(30.81)
Enacted tax rate in India	22.26%	26.00%
Computed tax expense	194.98	-
Increase/ decrease in taxes on account of:		
Tax effect on exempted income under Income-tax Act	-	-
Adjustment on account of Demerger		
Tax impact of restatement of Prior period items	-	-
Adjustment on account of brought forward losses/unabsorbed Dep.	-2.60	-
Adjustment on account of other than permanent difference	0.41	-
Adjustment on account of permanent difference	-197.00	-
Tax Impact of Long term Capital Gain	98.68	
Excess/ Short provision relating earlier year tax		
Income tax expense recognised in the statement of profit and loss	94.47	-

Note 32: Contingent Liability	As at March 31, 2023	As at March 31, 2022
Income Tax Appeals - CIT	75.23	75.23

The company has received an demand order of ₹75,22,748 u/s 156 of the Incoma Tax Act 1961 for AY 17-18. The company has filed for appeal against this demand order and the management is of the opinon that the outcome of the appeal would be in favour of the company and thus it has not created provison in the books of accounts of the company.

Note 33.Employee Benefits :

Post-employment benefits plans

(a) Defined Contribution Plans –

In respect of the defined contribution plans, an amount of ` Nil (Previous Year: ` Nil) has been provided in the Profit & Loss account for the year towards employer share of PF contribution.

(b) Defined Benefit Plans –

The Liability in respect of gratuity is determined for current year as per management estimate `. Nil (previous year `. Nil as per management estimate) carried out as at Balance Sheet date. Amount recognized in profit and loss account `. Nil (previous year ` Nil).

Note 34: Balances of Trade Receivables and Trade Payables as at the balance sheet are subject to confirmation and reconciliation.

Note 35 : Previous year figures have been re-grouped and reclassified wherever necessary to conform to this year's classification. Trade Receivables, advances and Trade Payabales are subject to confirmations.

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Note 36. Financial Instruments

A. The carrying value and fair value of financial instruments:

(Amount in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
At Amortised Cost				
Trade Receivables	8,538.38	8,538.38	898.53	898.53
Cash & Cash equivalents	175.14	175.14	9.63	9.63
Loans and Advances	121.13	121.13	284.63	284.63
Other Financial Asset	62.19	62.19	9.68	9.68
Total Financial Assets	**8,896.84**	**8,896.84**	**1,202.47**	**1,202.47**
Financial Liabilities				
At Amortised Cost				
Borrowings	172.32	172.32	143.02	143.02
Trade Payables	3,993.34	3,993.34	10.24	10.24
Total Financial Liabilities	**4,165.66**	**4,165.66**	**153.26**	**153.26**

B. Fair value measurements recognised in the statement of financial position:

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(Amount in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
At Amortised Cost						
Trade Receivables			8,538.38			-
Cash & Cash equivalents			175.14			9.63
Loans and Advances			121.13			284.63
Other Financial Asset			62.19			9.68
Subtotal	-	-	**8,896.84**	-	-	**303.94**
Financial Liabilities						
At Amortised Cost						
Borrowings			172.32			143.02
Trade Payables			3,993.34			10.24
Subtotal	-	-	**4,165.66**	-	-	**153.26**

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, Trade receivables, Other current Financial assets, Trade payable and other current Financial liabilities approximate their carrying amounts largely due to the short-term maturities or nature of these instruments.

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Note 37. Ratios

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	As at 31-Mar-23	As at 31-Mar-22	% Change	Variance Reasons
a) Current Ratio (no. of times)	Total Current Assets	Total Current Liabilities	2.06	4.87	-57.66%	The company's trading business has subsantially increased during the year resulting in both increase in Trade Receivables and Trade Payables hence fall in ratio
b) Debt-Equity Ratio	Total Debts (Long term borrowing + Short term borrowings (including Current maturities of long term borrowings)	Equity	0.02	0.09	-73.25%	There is a rise in Equity of the company, hence fall in ratio
c) Debt Service Coverage Ratio (no. of times)	EBITDA	(Finance costs + Short term borrowings (including Current maturities of long term borrowings)	17.00	(0.05)	-36019.48%	The company's trading business has subsantially increased during the year resulting in improvement of ratio.
d) Return on Equity (ROE) (%)	Net profit after taxes	Average Shareholder's Equity	10.89%	-1.25%	-970.56%	The company's trading business has subsantially increased during the year resulting in improvement of ratio.
e) Inventory turnover ratio	Cost of goods sold	Average Inventory	420.21	64.62		The company's trading business has subsantially increased during the year while inventory is maintained at lower level resulting in improvement of ratio.
f) Trade Receivables turnover ratio	Revenue from operations	Average Trade receivables	2.11	2.09	0.95%	The company's trading business has subsantially increased during the year resulting in improvement of ratio.
g) Trade payables turnover ratio	Total Purchases	Average Trade Payables	4.87	4.79	1.68%	The company's trading business has subsantially increased during the year resulting in improvement of ratio.
h) Net Capital turnover ratio	Revenue from operations	Working capital	2.18	1.52	43.61%	The company's trading business has subsantially increased during the year resulting in improvement of ratio.
i) Net profit ratio (%)	Net Profit	Revenue from operations	7.96%	-1.34%	-696.37%	The company's trading business has subsantially increased during the year resulting in improvement of ratio.
j) Return on capital employed (ROCE) (%)	Earning before interest and taxes	Capital Employed (Tangible net worth + Long term borrowings)	11.86%	-1.91%	-722.26%	The company's trading business has subsantially increased during the year resulting in improvement of ratio.
k) Return on investment (ROI) (%)	Income generated from investments	Average value of investments	NA	NA		The company does not have any income from investments.

A K BHARGAV & Co. ★ NEW DELHI ★ Chartered Accountants

G G Engineering Limited
For the year ended March 31st, 2023

Note 38 : Additional Regulatory Information
During the Period or previous years

(i) Company doesn't have any immovable property

(ii) Company doesn't have investment property to value the property as is based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(iii) Company doesn't have Property Plant and Equipment to revalue the same (including Right-of Use Assets),based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(iv) Company doesn't have intangible asset to revalue the same , based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

(v) Company not provided any loans to Promoters, Directors, Key Managerial Persons or related parties. The loans provided to other body corporates are repayble on demand.

(vi) Company doesn't have any Capital-Work-in Progress.

(vii) Company doesn't have any intangible assets under developments.

(viii) No benami property held by company, No proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ix) Company has no borrowings from banks or financial institutions on the basis of security of current assets.

(x) Company not declared as wilful defaulter by any bank or financial Institution or other lender.

(xi) Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

(xii) Company has not any charges or satisfaction yet to be registered with ROC beyond the statutory period.

(xiii) Section 135 of Companies Act, 2013 relating to CSR Policy is not applicable on the Company.

(xiv) the Company has utilized funds raised from Right Issue for the sspecific purposes for which they were issued.

(xv) Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act' 2013 read with Companies (Restriction on Number of Layers) Rules' 2017

(xvi) The additional information pursuant to Schedule III to the Companies Act, 2013 are either nil or not applicable.

NOTES TO ACCOUNTS: forming part of Financial Statement 1 – 38
As per our Report of even date attached
For A. K. Bhargav & Co.
Chartered Accountants
FRN : 034063N

A K BHARGAV & Co. NEW DELHI Chartered Accountants

(CA ARUN KUMAR BHARGAV)
(Proprietor)
Membership No. 548396
UDIN : 23548396BGXHOK8965

Date : 19/04/2023
Place : Delhi

For & on behalf of the Board of Directors of
G G Engineering Limited

Atul Sharma
Managing Director
DIN No: 08290588

Deepak Kumar Gupta
Whole Time Director
DIN No: 00057003

Meghna Kashtwal
Company Secretary
CXCPK5668K

Prakash Kukreja
Chief Financial Officer
ASTPK1748E