

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Amex Alloys Private Limited**

**Report on the Audit of Financial Statements**

**Opinion**

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its loss, Total comprehensive loss, cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matter**

We draw attention to Note 39 of the financial statements which describes that the Net worth of the Company is negative Rs (441.00) Lakhs and current liabilities exceeded current assets by Rs.934.58 Lakhs as at 31 March 2022. However, the financial statements for the year ended 31 March 2022 have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of the above matter.



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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

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

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

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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





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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



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### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,  
  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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- iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall directly indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries
- (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall directly indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
2. As required by the Companies (Auditor's Report) Order, 2020("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No.: 117366W/W-100018)

**C Manish Muralidhar**

(Partner)

(Membership No. 213649)

Place: Chennai  
Date: 26 May 2022

(UDIN: 22213649ANCMWC6681)





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**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT  
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **AMEX ALLOYS PRIVATE LIMITED** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

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

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

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



**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

**C Manish Muralidhar**

Partner

(Membership No. 213649)

(UDIN: 22213649ANCMWC6681)

Place: Chennai

Date: 26 May 2022



**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

- (i) In respect of Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (ii) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification, which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable property of land and building that have been taken on lease and disclosed as Property, Plant and Equipment in the Standalone financial Statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement
  - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company has physically verified the inventory during the year in accordance with a regular programme of verification, which, in our opinion provides for physical verification of all the inventory at reasonable intervals. According to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.





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(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013, for manufacturing of iron and alloy steel. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete
- (vii) According to the information and explanations given to us in respect of statutory dues:
  - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, cess and other material statutory dues in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.



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- (b) Details of dues of Income-tax, Sales tax, Value Added Tax and Central Excise Act which have not been deposited as on 31 March 2022 on account of disputes are given below:

Name of the statute	Nature of dues	Amount (in Rs. lakhs)	Period to which the amount relates	Forum where dispute is pending
TNVAT ACT 2006	Sales Tax	3.83	FY 2015-16	Appellate Deputy Commissioner of Commercial Taxes, Coimbatore

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.





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(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) In our opinion, the Company is not required to have an internal audit system under section 138 of the Companies Act, 2013, it does not have the same established for the year.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

**For Deloitte Haskins and Sells LLP**

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**C Manish Muralidhar**

Partner

(Membership No. 213649)

(UDIN: 22213649ANCMWC6681)

Place: Chennai  
Date: 26 May 2022





**AMEX ALLOYS PRIVATE LIMITED**  
**Balance Sheet as at 31st March 2022**  
(All amounts are in INR Lakhs, as otherwise stated)

Particulars	Notes	As at 31 Mar 2022	As at 31 Mar 2021
<b>(A) ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	3	4,729.97	4,458.05
(b) Capital work-in-progress		570.78	507.17
(c) Right of Use Assets	3(a)	141.50	304.78
(d) Other Intangible assets	4	23.68	38.81
(e) Financial assets			
(i) Other Financial assets	5(c)	146.83	465.90
(f) Income tax assets (Net)		58.95	29.05
(g) Other Non-current assets	6	429.97	251.93
<b>Total Non-current assets</b>		<b>6,101.68</b>	<b>6,055.69</b>
<b>Current assets</b>			
(a) Inventories	7	2,308.62	1,655.63
(b) Financial Assets			
(i) Loans	5(a)	19.98	8.95
(ii) Trade receivables	8	2,345.08	2,813.41
(iii) Cash and cash equivalents	9	82.90	199.61
(iv) Other financial assets	5(c)	908.81	908.96
(c) Other Current assets	10	130.63	54.08
<b>Total Current Assets</b>		<b>5,796.02</b>	<b>5,640.64</b>
<b>Total Assets</b>		<b>11,897.70</b>	<b>11,696.33</b>
<b>(B) EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	650.00	650.00
(b) Other Equity	12	(1,091.00)	(741.22)
<b>Total Equity</b>		<b>(441.00)</b>	<b>(91.22)</b>
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	14 (a)	5,577.48	1,317.07
(i) Lease liability	3(a)	-	143.12
(b) Provisions	15	30.62	21.46
Other non-current liabilities			
		<b>5,608.10</b>	<b>1,481.65</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13(a)	2,864.23	6,465.89
i(a) Lease liability	3(a)	143.12	163.36
(ii) Trade payables	16		
A) Total outstanding dues of micro enterprises and small enterprises		277.69	347.18
B) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,183.15	3,078.33
(iii) Other financial liabilities	14 (b)	57.52	21.87
(b) Other current liabilities	17	197.16	219.68
(c) Provisions	15	7.73	9.58
		<b>6,730.60</b>	<b>10,305.90</b>
<b>Total Liabilities</b>		<b>12,338.70</b>	<b>11,787.55</b>
<b>Total Equity and Liabilities</b>		<b>11,897.70</b>	<b>11,696.33</b>

See accompanying notes forming part of the Ind AS financial statements  
In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

Sd/-  
**C Manish Muralidhar**  
Partner



For and on behalf of the Board of Directors  
**AMEX ALLOYS PRIVATE LIMITED**

Sd/-  
**R. Chellappan**  
Director  
DIN : 00016958

Sd/-  
**V.C. Mirunalini**  
Director  
DIN : 07860175

Place : Chennai  
26th May 2022

**AMEX ALLOYS PRIVATE LIMITED****Statement of Profit and Loss for the year ended 31 March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Income</b>			
Revenue from operations	18	11,488.86	9,750.63
Other income	19	63.69	122.45
<b>Total income</b>		<b>11,552.55</b>	<b>9,873.08</b>
<b>Expenses</b>			
Cost of raw materials and components consumed	20	6,360.48	4,670.23
Decrease/(increase) in inventories of work-in-progress, traded goods and finished goods	21	(674.09)	(247.66)
Employee benefits expense	22	1,262.30	1,177.55
Finance costs	23	561.62	493.20
Depreciation and amortization expense	24	637.86	611.22
Other expenses	25	3,767.51	3,047.36
<b>Total expenses</b>		<b>11,915.68</b>	<b>9,751.90</b>
<b>Profit/(Loss) before tax</b>		<b>(363.13)</b>	<b>121.18</b>
Current tax			26.31
Mat Credit Entitlement		-	(28.67)
Deferred Tax ( credit ) / charge		-	-
<b>Income tax expense</b>		-	<b>(2.36)</b>
<b>Net Profit/ (Loss) for the year</b>		<b>(363.13)</b>	<b>123.54</b>
<b>Other comprehensive income (OCI)</b>			
Re-measurement gain/ (losses) on defined benefit plans		13.35	12.75
Tax on remeasurement benefits			(2.36)
<b>Net other comprehensive profit not to be reclassified to profit or loss in subsequent periods</b>		<b>13.35</b>	<b>10.39</b>
<b>Total comprehensive (loss)/profit for the year, net of tax</b>		<b>(349.78)</b>	<b>133.93</b>
<b>Earnings / (Loss) per share</b>			
Loss/ Earnings per share (Face Value of Rs. 10/- each)			
1.Basic (in INR)	26	(5.59)	1.90
2.Diluted (in INR)	26	(5.59)	1.90

See accompanying notes forming part of the Ind AS financial statements

In terms of our report attached

For Deloitte Haskins &amp; Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-  
C Manish Muralidhar  
Partner



Place : Chennai  
26th May 2022

For and on behalf of the Board of Directors

**AMEX ALLOYS PRIVATE LIMITED**

Sd/-  
R. Chellappan  
Director  
DIN : 00016958

Sd/-  
V.C. Mirunalini  
Director  
DIN : 07860175



**AMEX ALLOYS PRIVATE LIMITED****Cash flow statement for the year ended 31 March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Cash flow from operating activities:</b>		
Profit/(Loss) after taxation	(349.78)	123.54
Adjustments to reconcile profit after tax to net cash flows:		-
Depreciation/amortization	637.86	611.22
Unrealized foreign exchange loss, net	97.51	155.15
Provision written back	(15.30)	(41.10)
Provision for bad and doubtful debts	-	21.05
Other Non Operating Income	(7.74)	(14.33)
Profit on sale of Property, Plant and Equipment	-	-
Interest expense	561.62	493.20
Interest income	(40.66)	(67.02)
<b>Operating profit before working capital/other changes</b>	<b>883.51</b>	<b>1,281.71</b>
<b>Movement in working capital/other :</b>		
(Increase) / Decrease in trade receivables	370.82	(710.94)
Increase in current and non-current assets	76.64	(106.75)
Increase in inventories	(652.99)	(213.60)
(Decrease) / Increase in trade payables, other current and long term liabilities	48.47	106.80
Increase in provisions	7.31	10.30
<b>Cash flow generated from operations</b>	<b>733.76</b>	<b>367.52</b>
Taxes paid, net	(29.90)	(6.67)
<b>Net cash flow generated from operating activities (A)</b>	<b>703.86</b>	<b>360.85</b>
<b>B. Cash flow from investing activities:</b>		
Capital expenditure	(794.99)	(689.31)
Interest received	40.66	67.02
Bank deposits	-	(2.48)
<b>Net cash flow used in investing activities (B)</b>	<b>(754.33)</b>	<b>(624.77)</b>
<b>C. Cash flow from financing activities:</b>		
Proceeds from short-term borrowings (net)	658.75	891.98
Lease payments	(184.32)	(149.35)
Interest paid	(540.67)	(493.20)
<b>Net cash flow used in financing activities (C)</b>	<b>(66.24)</b>	<b>249.43</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>(116.71)</b>	<b>(14.53)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>199.61</b>	<b>214.14</b>
<b>Closing cash and cash equivalents</b>	<b>82.90</b>	<b>199.61</b>
Cash and Cash equivalents (Refer Note 9)	82.90	199.61


See accompanying notes forming part of the Ind AS financial statements

In terms of our report attached

For Deloitte Haskins &amp; Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Sd/-   
**C Manish Muralidhar**  
PartnerPlace : Chennai  
26th May 2022

For and on behalf of the Board of Directors

**AMEX ALLOYS PRIVATE LIMITED**Sd/-   
**R. Chellappan**  
Director  
DIN : 00016958Sd/-   
**V.C. Mirunalini**  
Director  
DIN : 07860175

**AMEX ALLOYS PRIVATE LIMITED**  
Statement of Changes in Equity for the year ended 31st March 2022  
(All amounts are in INR Lakhs, as otherwise stated)

**a. Equity Share Capital**

As at 1 April, 2020	Changes in Equity Share Capital during the year (Refer Note 11)	Balance as at 31 March, 2021	Changes in Equity Share Capital during the year (Refer Note 11)	Balance as at 31 March 2022
650.00	-	650.00	-	650.00

**b. Other Equity**

Particulars	Reserves & Surplus			Total Other Equity
	Capital Subsidy	Capital Redemption Reserve	Retained Earnings	
Balance at 1st April, 2020	15.00	250.00	(1,140.15)	(875.15)
Loss for the period	-	-	123.54	123.54
Other comprehensive (loss)	-	-	10.39	10.39
Total comprehensive (loss)	-	-	133.93	133.93
Balance at 31st March, 2021	15.00	250.00	(1,006.22)	(741.22)
Loss for the period	-	-	(363.13)	(363.13)
Other comprehensive (loss)	-	-	13.35	13.35
Total comprehensive (loss)	-	-	(349.78)	(349.78)
Balance at 31st March, 2022	15.00	250.00	(1,356.00)	(1,091.00)

See accompanying notes forming part of the Ind AS financial statements  
In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

Sd/-  
**C Manish Muralidhar**  
Partner



For and on behalf of the Board of Directors  
**AMEX ALLOYS PRIVATE LIMITED**

Sd/-  
**R. Chellappan**  
Director  
DIN : 00016958

Sd/-  
**V.C. Mirunalini**  
Director  
DIN : 07860175

Place : Chennai  
26th May 2022



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**1 Corporate information**

Amex Alloys Private Limited ('AAPL or the Company') was incorporated in India as a Private Limited Company under the Companies Act, 1956 on December 26, 2003. The Company is a subsidiary of Swelect Energy System Limited, ('SESL'). The Company is primarily engaged in manufacturing and trading of sale of machine Iron and alloy castings, patterns from its manufacturing Unit located at Coimbatore, Tamil Nadu.

The financial statements were authorized for issue in accordance with a resolution of the directors on 25th May 2022.

**2 Significant accounting policies:****2.1 Basis of preparation:**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

**2.2 Summary of significant accounting policies:****a. Current versus 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 realized or intended to sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized 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.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company

**b. Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Estimates include provision for employee benefits, provision for doubtful trade receivables/advances/contingencies, allowance for slow/non-moving inventories, and useful life of Fixed Assets, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**c. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The following specific recognition criteria must also be met before revenue is recognized:

**Sale of goods**

Revenue from sale of goods are recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods.

The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty ( Upto 30 June 2017 ).

However, Sales Tax/Value Added Tax/ Goods & Services Tax is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

**Income from Sale of Renewable Energy Certificates**

The revenue from sale of Renewable Energy Certificates (REC) is recognized on delivery thereof or sale of right therein, as the case may be, in accordance with the terms of contract with the respective buyer.



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**Interest income**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head "Finance income" in the statement of profit and loss. For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

**d. Inventories**

Inventories are valued as follows:

Raw materials and components are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a first in first out basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials (including all taxes and duties net of GST credits wherever applicable), labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

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

**e. Taxes****Current income tax**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in equity.

Current Tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. The carrying amount of MAT is reviewed at each reporting date and the asset is written down to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

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

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and written off 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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside the Statement of profit and loss is recognized outside Statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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.

**f. Employee Benefits****Defined Contribution Plan****Provident Fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent of the pre-payment.





**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**Defined Benefit Plan****Gratuity**

The Company makes annual contribution to a Gratuity Fund administered by trustees and managed by LIC. The Company accounts its liability for future gratuity benefits based on actuarial valuation, as at the Balance Sheet date, determined every year using the Projected Unit Credit method. Actuarial gains/losses are immediately recognized in retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not re-classified to profit or loss in subsequent periods. The defined benefit obligation recognized in the balance sheet represents the present value of the Defined Benefit Obligation less the Fair Value of Plan Assets out of which the obligations are expected to be settled.

**g. Foreign Currency Transactions and Translations:**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

**Initial recognition**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

**Conversion**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

**Treatment of Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**h. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

**i. Property, Plant and Equipment and intangible fixed assets**

The Company has elected to adopt the carrying value of Property, Plant and Equipment and intangible fixed assets under the Indian GAAP as on 31st March 2015, as the deemed cost for the purpose of transition to IND AS.

Tangible and intangible fixed assets are stated at original cost net of tax/duty credit availed, less accumulated depreciation/amortization and impairment losses, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains and losses arising from derecognition of tangible assets and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of the profit and loss when the asset is derecognized.

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

Capital Work-in-Progress: Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and attributable interest. Once it has become available for use, their cost is re-classified to appropriate caption and subjected to depreciation.

**j. Depreciation and amortization:**

Depreciation is provided using the straight line method as per the useful lives of the assets estimated by the management as follows:

Building	30 years
Plant and machinery (other than Windmills & Solar Plant)	7.5 years
-- Solar Plant	25 years
Office equipment	5 years
-- Electrical equipment	10 years
Computers	3 years
Furniture and fittings	10 years
Vehicles (Motor cars/Motor Vehicles)	8years/10 years





**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**k. Useful lives/depreciation rates**

Considering the applicability of Schedule II, the management has estimated the useful lives and residual values of all its fixed assets. The management believes that the depreciation rates currently used fairly reflect its estimate of the useful life and residual values of fixed assets, though these rates in certain cases are different from the lives prescribed under schedule II.

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

The useful lives of certain Solar Plant and Machinery to 25 years, respectively. These lives are higher than those indicated in schedule II.

Leasehold improvements are amortized using the straight-line method over their estimated useful lives (5 years) or the remainder of primary lease period, whichever is lower.

Intangible assets are amortized using the straight-line method over a period of three or five years as applicable.

**l. Impairment of tangible and intangible fixed assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**m. Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**n. Leases**

The Company has adopted Ind AS 116 – Leases for the contracts entered into during the current year. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

**o. Provisions and Contingencies**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**p. Financial instruments:****i) Financial Assets:****Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

**Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: 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.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:  
(a) the Company has transferred substantially all the risks and rewards of the asset, or  
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables





**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

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-months 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 Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

**(II) Financial liabilities:****Initial recognition and measurement**

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

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

**Subsequent measurement**

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

**Derecognition**

A financial liability is derecognized 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 recognized in the statement of profit and loss.

**(iii) Offsetting of financial instruments:**

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

**q. Fair value measurement**

The Company measures specific financial instruments of certain investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 by 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 economic best 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 are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:





**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes the accounting policy for fair value. Other fair value related disclosures are given in relevant notes.

**r. Cash and cash equivalents**

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

**s. Cash dividend**

The Company recognizes a liability to make cash, when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

Dividends paid/payable are recognized in the year in which the related dividends are approved by the Shareholders or Board of Directors as appropriate.

**t. Cash flow statement**

Cash flows are presented using indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company is segregated based on the available information.

**u. Business combinations :**

In accordance with Ind AS 101 provisions related to first time adoption, the Company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, have been carried forward.

Business combinations involving entities under the common control are accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies.

The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor. Any consideration in excess of the net worth of the acquire company is adjusted against the reserves of the acquiring company.

**v. Segment Reporting**

The Executive Management Committee monitors the operating results of its business as a single primary segment "Foundry" for the purpose of making decisions about resource allocation and performance assessment.

The business of the Company falls under a single primary segment i.e. 'Foundry' for the purpose of Ind AS 108.



**AMEX ALLOYS PRIVATE LIMITED**  
Notes to the financial statements for the year ended 31st March 2022  
(All amounts are in INR Lakhs, as otherwise stated)

**3 Property, Plant and Equipment**

Particulars	Land	Buildings	Plant and Machinery	Office Equipment	Computers	Furniture and Fixtures	Vehicles	Total
<b>Cost</b>								
As at 1 April 2020	766.92	1,653.83	3,682.88	214.85	24.55	49.29	73.31	6,465.63
Additions	-	46.63	403.77	1.04	3.37	0.22	10.23	465.26
Deletions	-	-	-	-	-	-	-	-
As at 31 March 2021	766.92	1,700.46	4,086.65	215.89	27.92	49.51	83.54	6,930.89
Additions	-	224.35	454.94	7.01	3.15	-	37.45	726.91
Deletions	-	-	-	-	-	-	-	-
As at 31st Mar 2022	766.92	1,924.82	4,541.60	222.90	31.07	49.51	120.99	7,657.80
<b>Depreciation</b>								
As at 1 April 2020	-	279.77	1,510.99	143.99	17.19	32.17	57.54	2,041.65
Charge for the year	-	56.22	333.73	26.17	4.38	3.47	7.22	431.19
Deletions	-	-	-	-	-	-	-	-
As at 31 March 2021	-	335.99	1,844.72	170.16	21.57	35.64	64.76	2,472.84
Charge for the year	-	59.93	351.37	25.80	4.47	3.10	10.31	454.98
Deletions	-	-	-	-	-	-	-	-
As at 31st Mar 2022	-	395.92	2,196.09	195.96	26.04	38.74	75.07	2,927.82
<b>Net Block</b>								
As at 31 March 2021	766.92	1,364.47	2,241.93	45.73	6.35	13.87	18.78	4,458.05
As at 31st Mar 2022	766.92	1,528.89	2,345.50	26.94	5.03	10.77	45.92	4,729.97

**a) Capital Work In progress Ageing Schedule**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress as on 31 March 2022	518.56	52.22	-	-	570.78
Projects in progress as on 31 March 2021	-	507.17	-	-	507.17

b) For Capital-work-in progress which is more than 2 years the Company has taken steps to conclude the project by the current year.



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**3 (a) Leases**

The company has a lease for machinery.

**(a) Right of Use Asset "ROU"**

The following are the changes in the carrying value of right of use assets for the year ended 31st March 2022

Particulars	Gross	Accumulated Depreciation	Total
Balance as at 01 April 2019	-	-	-
Additions	571.48	-	571.48
Deletions	-	-	-
Depreciation*	-	103.42	103.42
Balance as at 31 March 2020	571.48	103.42	468.06
Additions	-	-	-
Deletions	-	-	-
Depreciation*	-	163.28	163.28
Balance as at 31st March 2021	571.48	266.70	304.78
Additions	-	-	-
Deletions	-	-	-
Depreciation*	-	163.28	163.28
Balance as at 31st March 2022	571.48	429.98	141.50

\*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense

**(b) Lease Liabilities**

The following is the movement in lease liabilities during the year ended 31st March 2022

Particulars	Amount
Balance as at 31 March 2020	455.84
Additions	-
Finance Cost accrued during the year	34.96
Deletions	-
Payment of Lease liabilities	184.32
Balance as at 31st March 2021	306.49
Additions	-
Finance Cost accrued during the year	20.95
Deletions	-
Payment of Lease liabilities	184.32
Balance as at 31st March 2022	143.12

The following is the break-up of current and non current liabilities as on 31.03.2022

Particulars	31/Mar/2022	31/Mar/2021
Current lease liabilities	143.12	163.36
Non Current lease liabilities	0.00	143.12

**(c) Amounts recognised in Profit and Loss were as follows**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation Expenditure	163.28	163.28
Finance cost on Lease liabilities	20.95	34.96

**(d) The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2022 on an undiscounted basis :**

Particulars	As at 31 March 2022	As at 31 March 2021
Not later than 1 year	149.14	184.32
Later than 1 year and not later than 5 years	-	149.14
Later than 5 years	-	-

Note : The company does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.





**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**4 Intangible assets**

Particulars	Computer Software	Total
<b>Cost</b>		
<b>At 1 April 2020</b>	<b>99.08</b>	<b>99.08</b>
Additions	2.36	2.36
Disposals / Adjustment	-	-
<b>At 31 March 2021</b>	<b>101.44</b>	<b>101.44</b>
Additions	4.47	4.47
Disposals / Adjustment	-	-
<b>At 31 March 2022</b>	<b>105.91</b>	<b>105.91</b>
<b>Amortization</b>		
<b>At 1 April 2020</b>	<b>45.90</b>	<b>45.90</b>
Charge for the year	16.73	16.73
Disposals / Adjustment	-	-
<b>At 31 March 2021</b>	<b>62.63</b>	<b>62.63</b>
Charge for the year	19.60	19.60
Disposals / Adjustment	-	-
<b>At 31 March 2022</b>	<b>82.23</b>	<b>82.23</b>
<b>Net block</b>		
<b>At 31 March 2022</b>	<b>23.68</b>	<b>23.68</b>
<b>At 31 March 2021</b>	<b>38.81</b>	<b>38.81</b>



**AMEX ALLOYS PRIVATE LIMITED**

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

(All amounts are in INR Lakhs, as otherwise stated)

**5(a) Financial assets carried at Amortized cost**

Loans (Unsecured, considered good, unless otherwise stated) carried at amortized cost

Particulars	As at 31 March 2022	As at 31 March 2021
(ii) Current		
Loans to employees	19.98	8.95
<b>Total</b>	<b>19.98</b>	<b>8.95</b>
<b>Total</b>	<b>19.98</b>	<b>8.95</b>

\* Other financial assets are non-derivative financial assets which generate an effective interest income at 6.35% for the Company.

**5(c) Other financial assets (Unsecured, considered good, unless otherwise stated) carried at amortized cost**

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Non-Current		
Security Deposits	146.83	116.34
<b>Total</b>	<b>146.83</b>	<b>116.34</b>
(ii) Current		
Interest accrued on fixed deposits	8.81	8.96
Deposits with original maturity more than 3 months and less than 12 months #	900.00	900.00
<b>Total</b>	<b>908.81</b>	<b>908.96</b>
<b>Total</b>	<b>1,055.64</b>	<b>1,025.30</b>



**AMEX ALLOYS PRIVATE LIMITED**
**Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**6 Other Non-current Assets (Unsecured, considered good)**
**Particulars**

	As at 31 March 2022	As at 31 March 2021
Capital advances	5.03	116.81
Balances with government authorities-nc	395.92	465.90
Forward Derivative	-	13.08
Gratuity Asset	29.02	5.70
<b>Total</b>	<b>429.97</b>	<b>601.49</b>

**7 Inventories**
**Particulars**

	As at 31 March 2022	As at 31 March 2021
Raw materials and components	408.00	429.10
Work-in-progress *	1,581.43	1036.54
Finished goods **	319.19	189.99
<b>Total</b>	<b>2,308.62</b>	<b>1,655.63</b>

\*Work-in Progress comprises of Alloys, Castings and Test Bars.

\*\*Finished goods are valued at lower of cost and net realisable

**8 Trade receivables**
**Particulars**

	As at 31 March 2022	As at 31 March 2021
(a) Unsecured, considered good	2,345.08	2,813.41
(b) Doubtful	113.38	128.68
Less: Allowance for Expected Credit Loss	(113.38)	(128.68)
<b>Total</b>	<b>2,345.08</b>	<b>2,813.41</b>

Particulars	As at 31 March 2022				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	2,140.22	124.38	79.27	1.22	2,345.08
Undisputed trade receivables - credit impaired	1.18	5.33	20.61	86.27	113.38

Particulars	As at 31 March 2021				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
Undisputed trade receivables - considered good	2,707.42	87.72	18.27	-	2,813.41
Undisputed trade receivables - credit impaired	-	-	49.45	79.23	128.68

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

Trade Receivables are unsecured and are derived from revenue earned from sale of patterns and castings. Trade receivables are non-interest bearing and are generally on terms of 60-150 days. No interest is charged on the balance regardless the age of the balance. The Company uses judgements in making certain assumptions and selecting inputs to determine the impairment of these trade receivables. This is based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of the reporting period.

**9 Cash and cash equivalents**
**Particulars**

	As at 31 March 2022	As at 31 March 2021
Balances with banks:		
On current accounts	81.78	198.85
Cash on hand	1.12	0.76
<b>Total</b>	<b>82.90</b>	<b>199.61</b>

**10 Other Current assets**
**Particulars**
**Unsecured, considered good**

	As at 31 March 2022	As at 31 March 2021
Balances with government authorities	74.82	-
Supplier advances	42.57	41.24
Prepaid expenses	12.77	12.34
Other Loans & Advances	0.48	0.50
<b>Total</b>	<b>130.63</b>	<b>54.08</b>





**AMEX ALLOYS PRIVATE LIMITED**  
Notes to the financial statements for the year ended 31st March 2022  
(All amounts are in INR Lakhs, as otherwise stated)

**11 Equity Share Capital**

Particulars	Equity Shares of Rs. 10/- each		Preference Shares of Rs. 100/- each	
	Nos.	Amount	Nos.	Amount
<b>Authorised Share Capital</b>				
As at 1 April 2020	85,00,000	850.00	3,75,000	375.00
Increase/(Decrease) during the year	-	-	-	-
As at 31 March 2021	85,00,000	850.00	3,75,000	375.00
Increase/(Decrease) during the year	-	-	-	-
As at 31 March 2022	85,00,000	850.00	3,75,000	375.00
<b>Issued, subscribed &amp; fully paid up</b>				
As at 1 April 2020	65,00,000	650.00	-	-
Issue of Equity Share Capital	-	-	-	-
As at 31 March 2021	65,00,000	650.00	-	-
Issue of Equity Share Capital	-	-	-	-
As at 31 March 2022	65,00,000	650.00	-	-

**a. Terms/rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of the liquidation of the Company, the holder of equity share will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportionate to the number of equity shares held by the shareholders.

**b. Details of shareholders holding more than 5% shares in the Company**

Equity shares of Rs.10/- each fully paid	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Sweetlect Energy Systems Limited	65,00,000	100%	65,00,000	100%
<b>No. of shares held by the Promoters</b>				
SWELECT ENERGY SYSTEMS LIMITED	99,99%		99,99%	
R.Chellappan Nominee shareholder	0.01%		0.01%	

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**12 Other Equity**

Particulars	Capital subsidy	Capital Redemption Reserve	Retained Earnings	Total
As at 1 April 2020	15.00	250.00	(1,140.15)	(875.15)
Profit for the year	-	-	123.54	123.54
Other Comprehensive Income - Remeasurement of Defined Benefit Plans	-	-	10.39	10.39
As at 31st March 2021	15.00	250.00	(1,006.22)	(741.22)
Loss for the year	-	-	(363.13)	(363.13)
Other Comprehensive Income - Remeasurement of Defined Benefit Plans	-	-	13.35	13.35
As at 31st March 2022	15.00	250.00	(1,356.00)	(1,091.00)



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**13(a) Borrowings****Financial Liabilities carried at amortized cost****Particulars****Non - Current Borrowings**

Loans from Related party

Term Loan - Un Secured

Term Loan - Secured

	As at 31 March 2022	As at 31 March 2021
Loans from Related party	4,912.34	-
Term Loan - Un Secured	269.43	484.98
Term Loan - Secured	395.71	832.09
	<b>5,577.48</b>	<b>1,317.07</b>

**Current**

Working capital demand loans

Packing Credit Foreign Currency (PCFC)

Loans from Related party

Current maturities of long-term borrowings

Current maturities of long-term borrowings

**Total Current Borrowings**

Less: Amount disclosed under "other financial liabilities"

**Total**

Working capital demand loans	254.10	993.92
Packing Credit Foreign Currency (PCFC)	1,912.45	947.09
Loans from Related party	-	4,524.88
Current maturities of long-term borrowings	161.66	-
Current maturities of long-term borrowings	536.03	-
<b>Total Current Borrowings</b>	<b>2,864.23</b>	<b>6,465.89</b>
Less: Amount disclosed under "other financial liabilities"	-	-
<b>Total</b>	<b>8,441.71</b>	<b>7,782.96</b>

The overdraft facility from the Bank is secured against the Fixed Deposits of the Company and it is repayable on demand.

**13(b) Details of Short Term Borrowings are given below:**

Loans as on 31 March 2022	Amount	Effective Interest Rate	Loan Currency	Repayable
Working capital demand loans	254.10	9.20%	INR	On demand
Packing Credit Foreign Currency (PCFC)	1,912.45	2.00%	EURO	Repayable within 6 months from the date of the loan
Loans from Holding Company	4,912.34	8.50%	INR	On demand
<b>Total</b>	<b>7,078.88</b>			

The quarterly statements submitted to the banks is in line with the books of accounts.

**14 (b) Other Financial Liabilities****Particulars****(i) Non Current**

Lease obligation

	As at 31 March 2022	As at 31 March 2021
Lease obligation	-	143.12
	<b>-</b>	<b>143.12</b>

**(ii) Current**

Interest accrued

Capital creditors

**Total**

Interest accrued	4.13	0.00
Capital creditors	53.39	21.87
<b>Total</b>	<b>57.52</b>	<b>21.87</b>



**AMEX ALLOYS PRIVATE LIMITED**
**Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**15 Provisions**
**Particulars**
**(i) Current**

Provision for Compensated Absences

**Total**

As at 31 March 2022	As at 31 March 2021
7.73	9.59
<b>7.73</b>	<b>9.59</b>

**(ii) Non-Current**

Provision for Compensated Absences

**Total**

As at 31 March 2022	As at 31 March 2021
30.62	21.46
<b>30.62</b>	<b>21.46</b>

**Total**

<b>38.35</b>	<b>31.05</b>
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**16 Trade payables**
**Particulars**

Trade payables

(Refer note below regarding dues to micro, small and medium enterprises)

Trade payables to Related Parties

(Refer Note 30)

As at 31 March 2022	As at 31 March 2021
2,561.65	2,735.11
899.19	690.40
<b>3,460.84</b>	<b>3,425.51</b>

Particulars	Outstanding as on 31 March 2022			TOTAL
	Less than 1 year	1-2 years	2-3 years	
MSME	277.69			277.69
Others	2,568.51	613.45	1.20	3183.15
Particulars	Outstanding as on 31 March 2021			TOTAL
	Less than 1 year	1-2 years	2-3 years	
MSME	347.18			347.18
Others	2,845.68	576.15	3.68	3425.51

**Note:**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2022	As at 31 March 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	277.69	347.18
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

**17 Other current liabilities**
**Particulars**

Other Payables

Statutory dues payable

Advance from customers

**Total**

As at 31 March 2022	As at 31 March 2021
156.69	153.29
29.87	26.21
10.61	40.19
<b>197.16</b>	<b>219.68</b>





**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**18 Revenue from operations**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Revenue from operations</b>		
Sale of products		
Manufactured goods		
- Alloys & Castings	7,072.72	5,960.70
- Grey Iron & Ductile Iron Castings	3,767.24	3,097.11
Traded goods	71.17	220.86
<b>Other operating revenue</b>		
Scrap sales	299.64	187.98
Renewable Energy Certificate Income (net)	107.24	8.76
Export benefits	170.70	274.98
Others	0.15	0.24
<b>Total</b>	<b>11,488.86</b>	<b>9,750.63</b>

(Refer Note 18.1 to 18.3)

**19 Other Income**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Provision no longer required written back	15.30	41.10
Other non-operating income	7.74	14.33
Interest income	40.66	67.02
<b>Total</b>	<b>63.69</b>	<b>122.45</b>

**20 Cost of raw material and components consumed**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventories at the beginning of the year	429.10	463.16
Add: Purchases	6,339.38	4,636.17
	<b>6,768.48</b>	<b>5,099.33</b>
Less: Inventories at the end of the year	408.00	429.10
<b>Total</b>	<b>6,360.48</b>	<b>4,670.23</b>

**21 Decrease/ (increase) in inventories of work-in-progress and finished goods**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Inventories at the end of the year</b>		
Traded goods		
Work-in-progress	1,581.43	1,036.54
Finished goods	319.19	189.99
	<b>1,900.62</b>	<b>1,226.53</b>
<b>Inventories at the beginning of the year</b>		
Traded goods		
Work-in-progress	1036.54	978.87
Finished goods	189.99	-
	<b>1,226.53</b>	<b>978.87</b>
<b>Total</b>	<b>(674.09)</b>	<b>(247.66)</b>

**22 Employee benefits expense**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,057.35	982.63
Contribution to provident and other funds (Refer Note 27)	73.29	63.54
Gratuity expense (Refer Note 27)	14.62	35.03
Staff welfare expenses	117.04	96.36
<b>Total</b>	<b>1,262.30</b>	<b>1,177.55</b>



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**18 Revenue from operations****Particulars****For the year ended  
31 March 2022****For the year ended  
31 March 2021**

(a) Sale of products

10,911.13

9,278.67

(b) Other Operating Revenue (Refer Note 18.1(ii) below)

577.73

471.96

**Total****11,488.86****9,750.63****18.1 Disaggregation of the revenue information**

The tables below presents disaggregated revenues from contracts with customers for the year ended 31 March 2022 by offerings. The company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

**(i) Sale of Products comprises the following:-****Particulars****For the year ended  
31 March 2022****For the year ended  
31 March 2021****Manufactured goods**

- Alloys &amp; Castings

7,072.72

5,960.70

- Grey Iron &amp; Ductile Iron Castings

3,767.24

3,097.11

Traded goods

71.17

220.86

**10,911.13****9,278.67****(ii) Other operating revenue comprises the following:-****Particulars****For the year ended  
31 March 2022****For the year ended  
31 March 2021**

Scrap sales

299.64

187.98

Renewable Energy Certificate Income (net)

107.24

8.76

Export benefits

170.70

274.98

Others

0.15

0.24

**Total****577.73****471.96**

NO other single customer contributed 10% or more to the Company's revenue during the financial year 2021-2022 and 2020-2021.

**Revenue by Geography (Revenue from Operations)****Particulars****For the year ended  
31 March 2022****For the year ended  
31 March 2021**

India

4,061.30

3,587.19

Outside India

7,427.56

6,163.43

**Total****11,488.86****9,750.63****18.2 Trade Receivables and Contract Balances**

The Company classifies the right to consideration in exchange for deliverables as receivable.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods are delivered to the customer.

Trade receivable are presented net of impairment in the Balance Sheet.

Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

- 18.3** The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize there amounts in revenue. Applying the practical expedient as given in Ind AS-115, the company has not disclosed information about the remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**25 Other expenses****Particulars**

Sub-contracting and processing expenses

Power and fuel

Freight and forwarding charges

Rent

Rates and taxes

Insurance

Repairs and maintenance

- Plant &amp; machinery

- Buildings

- Others

Sales promotion

Travelling and conveyance

Communication costs

Printing and stationery

Exchange differences (net)

Legal and professional fees

Payment to auditor (Refer details below)

Liquidated damages

Allowances for Expected Credit Loss

Miscellaneous expenses

**Payment to auditor (Refer details below)**

Audit fee

Tax audit fee

certification fee

**For the year ended  
31 March 2022****For the year ended  
31 March 2021**

2,074.79

1,561.45

990.30

872.66

119.10

105.26

7.64

5.44

24.13

20.27

13.58

11.78

169.82

128.76

15.31

20.18

18.21

12.96

15.76

4.62

40.97

32.54

3.52

3.78

9.89

7.75

97.51

155.15

67.34

61.53

9.70

10.00

71.19

-

-

21.05

18.73

12.18

**3,767.51****3,047.36**

8.50

8.50

0.00

1.50

1.20

0.00

**9.70****10.00****24 Depreciation and amortisation expense****Particulars**

Depreciation of Property, Plant and Equipment and ROU assets

Amortisation of Intangible assets

**Total****For the year ended  
31 March 2022****For the year ended  
31 March 2021**

618.26

594.50

19.60

16.73

**637.86****611.22****23 Finance costs****Particulars**

Interest on borrowings and lease liabilities

Bank and other charges

**Total****For the year ended  
31 March 2022****For the year ended  
31 March 2021**

540.83

463.60

20.79

29.60

**561.62****493.20****26 Earnings/(Loss) per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

**Particulars**

Loss attributable to equity shareholders of the Company (A)

Weighted average number of Equity shares for Basic and Diluted EPS (B)

Basic and Diluted Loss Per Share (A/B)

**For the year ended  
31 March 2022****For the year ended  
31 March 2021**

(363.13)

123.54

65,00,000

65,00,000

(5.59)

1.90





**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**27 Defined Contribution Plan**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded with an Insurance Company in the form of a qualifying insurance policy.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Employer's Contribution to Provident Fund	73.29	63.54

**Defined Benefits Plan - Gratuity Plan (funded)**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Reconciliation of opening and closing balances of obligation</b>		
Defined Benefit obligation as at the beginning of the year	110.95	100.94
Current Service Cost	17.46	16.63
Interest Cost	6.61	6.12
Actuarial loss	(1.38)	(3.67)
Benefits paid	(19.53)	(9.07)
Defined Benefit obligation as at the end of the year	<b>114.11</b>	<b>110.95</b>

**Reconciliation of opening and closing balances of fair value of plan assets**

	31 March 2022	31 March 2021
Fair value of plan assets as at the beginning of the year	116.65	101.00
Expected return on plan assets	7.31	6.46
Actuarial loss	11.97	0.83
Employer's contribution	26.72	17.43
Benefits paid	(19.53)	(9.07)
Fair value of plan assets as at the end of the year	<b>143.12</b>	<b>116.65</b>

**Actual Return on plan assets**

	31 March 2022	31 March 2021
Expected return on plan assets	7.31	6.46
Actuarial loss on plan assets	(7.31)	(6.46)

**Reconciliation of fair value of assets and obligations**

	31 March 2022	31 March 2021
Fair value of plan assets	143.12	116.65
Present value of obligation	114.11	110.95
Net Obligation disclosed as :-		
-Current	(29.01)	(5.70)

**Expense recognized during the year**

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Recognized in profit or loss</b>		
Current service cost	17.46	16.63
Interest cost	6.61	6.12
Expected return on plan assets	7.31	6.46
<b>Net Cost</b>	<b>31.38</b>	<b>29.21</b>



**AMEX ALLOYS PRIVATE LIMITED**
**Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars	Gratuity plan	
	As at 31 March 2022	As at 31 March 2021
<b>Investments details:</b>		
Funds with LIC	143.12	116.65
<b>Total</b>	<b>143.12</b>	<b>116.65</b>

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	2021-22	2020-21
Discount rate	6.85%	6.50%
Future salary increases	5.00%	5.00%
Expected Return on Plan Assets		
Employee turnover	8.00%	8.00%
Contribution Expected to be paid during the next year	10.00	10.00

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

**Gratuity plan:**
**Assumptions - Sensitivity Level**

 Discount rate  
Future salary increases

For the year ended 31 March 2022			
Sensitivity Level		Impact on defined benefit obligation	
1% increase	1% decrease	Amount	Amount
7.06%	8.02%	106.05	123.33
8.09%	7.24%	123.25	105.84

**Assumptions - Sensitivity Level**

 Discount rate  
Future salary increases

For the year ended 31 March 2021			
Sensitivity Level		Impact on defined benefit obligation	
1% increase	1% decrease	Amount	Amount
7.50%	5.50%	103.46	119.48
6.00%	4.00%	119.52	103.29

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.51 years.

**28 Commitments and Contingencies**
**Operating leases: Company as lessee**

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Future minimum rentals payable under non-cancellable operating lease are as follows:</b>		
Not later than one year	143.12	163.36
Later than one year but not later than five years	-	143.12
	<b>143.12</b>	<b>455.84</b>

**29 Segment Reporting**

The Company's operations relate to only one business segment, viz., Foundry. Accordingly, this is the only reportable business segment.

Particulars	2021-2022	2020-2021
<b>Revenue from Operations</b>		
India	4,061.30	3,587.19
Europe	7,427.56	6,163.43
Others	-	-
<b>Total</b>	<b>11,488.86</b>	<b>9,010.99</b>
<b>Non-Current Assets (Excluding Financial Assets &amp; Deferred tax asset)</b>		
India	5,895.90	5,560.74
<b>Total</b>	<b>5,895.90</b>	<b>5,346.32</b>



**AMEX ALLOYS PRIVATE LIMITED**  
Notes to the financial statements for the year ended 31st March 2022  
(All amounts are in INR Lakhs, as otherwise stated)

**30 Related party transactions**

**Names of related parties**

Holding Company

Fellow Subsidiary

**Key Management Personnel**

Mr. R. Chellappan - Director  
Ms. V.C. Mirumani - Director  
Mr. S. Annadurai - Director  
Mr. Aarthi Balan - Director

Sweetlect Energy Systems Limited

Sweetlect Green Energy Solutions Private Limited

Sweetlect Energy Systems Pvt.Ltd, Singapore

Sweetlect HHV Solar Photovoltaics Private Limited

**Terms and conditions of transactions with related parties**

The purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided to any related party payable. This assessment is undertaken at the end of each financial year through examining the financial position of the related party and the market in which the related party operates.

**Related party transactions**

Particulars	Sweetlect Energy Systems Limited		Sweetlect Green Energy Solutions Private Ltd		Sweetlect HHV solar photovoltaic pvt ltd		Sweetlect Energy Systems Pvt.Ltd		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Purchase of goods</b>										
Sweetlect Energy Systems Limited	17.21	0.02	3.67	-	-	-	151.09	-	171.97	0.02
Sweetlect Energy Systems PTE Ltd, Singapore	17.21	0.02	3.67	-	-	-	151.09	-	20.88	0.02
<b>Purchase of capital goods</b>										
Sweetlect Energy Systems Limited	-	38.10	-	-	-	-	-	-	-	38.10
Sweetlect Energy Systems PTE Ltd, Singapore	-	38.10	-	-	-	-	-	-	-	38.10
<b>Purchase of Power</b>										
Sweetlect Energy Systems Limited	174.08	104.73	144.64	69.59	-	-	-	-	318.72	174.33
Sweetlect Green Energy Solutions Private Limited	174.08	104.73	144.64	69.59	-	-	-	-	174.08	104.73
<b>Reimbursement of expenses</b>										
Sweetlect Energy Systems Limited	-	117.00	-	-	-	-	-	-	-	117.00
Sweetlect Green Energy Solutions Private Limited	-	117.00	-	-	-	-	-	-	-	117.00
<b>Rental Expense</b>										
Sweetlect Energy Systems Limited	-	-	0.94	0.94	-	-	-	-	0.94	0.94
Sweetlect Green Energy Solutions Private Limited	-	-	0.94	0.94	-	-	-	-	0.94	0.94
<b>Facility Management fees</b>										
Sweetlect Energy Systems Limited	2.04	2.04	3.72	7.44	-	-	-	-	5.76	9.48
Sweetlect Green Energy Solutions Private Limited	2.04	2.04	3.72	7.44	-	-	-	-	2.04	2.04
<b>Interest Income</b>										
Sweetlect HHV solar photovoltaic pvt ltd	-	-	-	-	0.05	-	-	-	0.05	-
<b>Interest Expense</b>										
Sweetlect Energy Systems Limited	346.95	309.65	-	-	0.05	-	-	-	346.95	309.65
<b>Balance outstanding as at the year end</b>										
<b>Trade payable/Payable for capital purchases</b>										
Sweetlect Energy Systems Limited	683.56	638.93	58.90	28.78	-	-	153.40	-	895.86	667.21
Sweetlect Green Energy Solutions Private Limited	683.56	638.93	58.90	28.78	-	-	-	-	683.56	638.93
Sweetlect Energy Systems PTE Ltd, Singapore	-	-	58.90	28.78	-	-	153.40	-	58.90	28.78
<b>Advance Received</b>										
Sweetlect Energy Systems Limited	4,912.34	4,524.08	-	-	-	-	-	-	4,912.34	4,524.08
	4,912.34	4,524.08	-	-	-	-	-	-	4,912.34	4,524.08





**AMEX ALLOYS PRIVATE LIMITED**  
**Notes to the financial statements for the year ended 31st March 2022**  
 (All amounts are in INR Lakhs, as otherwise stated)

**31 Contingent liabilities**

**(a) Contingencies**

The details of claims against the Company not acknowledged as debts are given below:

Particulars	As at	As at
	31st March 2022	31st March 2021
Sales tax related matters	5.10	5.10
<b>Total</b>	<b>5.10</b>	<b>5.10</b>

Rs. 1.27 Lakhs is the amount deposited under dispute in the earlier years.

**Management Assessment**

The amount shown under Contingent Liabilities and disputed claims represent the best possible estimates arrived at on the basis of available information. Further, various Government authorities raise issues/clarifications in the normal course of business and the Company has provided its responses to the same and no formal demands/claims has been made by the authorities in respect of the same other than those pending before various judicial/regulatory forums as disclosed above. The uncertainties and possible reimbursement in respect of the above are dependent on the outcome of the various legal proceedings which have been initiated by the Company or the Claimants, as the case may be and, therefore, cannot be predicted accurately. The Company has reviewed all the proceedings and has adequately provided for wherever provisions are required and disclosed contingent liabilities wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.

**(b) Commitments**

Commitments relating to lease arrangements, please Refer Note 28.

**32 Financial Instruments**

**Accounting classifications and fair values**

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

**Financial instruments by category**

	As at 31 March 2022			As at 31 March 2021		
	FVTPL	Amortized Cost	Total	FVTPL	Amortized Cost	Total
<b>Financial assets</b>						
Trade receivables	-	2,345.08	2,345.08	-	2,813.41	2,813.41
Cash and cash equivalents	-	82.90	82.90	-	199.61	199.61
Balance with Government Authorities	-	146.83	146.83	-	465.90	465.90
Interest accrued on fixed deposits	-	908.81	908.81	-	908.96	908.96
Advance to employees	-	19.98	19.98	-	8.95	8.95
<b>Total financial assets</b>	-	<b>3,503.60</b>	<b>3,503.60</b>	-	<b>4,396.83</b>	<b>4,396.83</b>
<b>Financial liabilities</b>						
Borrowings - Others	-	2,864.23	2,864.23	-	6,465.89	6,465.89
Trade payables	-	3,460.84	3,460.84	-	3,425.47	3,425.47
Capital creditors	-	53.39	53.39	-	21.87	21.87
<b>Total financial liabilities</b>	-	<b>6,378.46</b>	<b>6,378.46</b>	-	<b>9,939.44</b>	<b>9,939.44</b>

**Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Financial assets and liabilities measured at amortized cost**

The Company has not disclosed fair values of financial instruments such as trade receivables, cash and cash equivalents, other bank balances, security deposits, loans and interest accrued on fixed deposits, certain advances to employees, trade payables and employee benefit payables (that are short term in nature), because their carrying amounts are reasonable approximations of their fair values.



**AMEX ALLOYS PRIVATE LIMITED****Notes to the financial statements for the year ended 31st March 2022**

(All amounts are in INR Lakhs, as otherwise stated)

**33 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's Financial Statements requires Management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements**

In the process of applying the Company's accounting policies, Management has made the following judgements, which have the most significant effect on the amounts recognized in the Ind AS financial statements:

**Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Allowance for uncollectible trade receivables**

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

The Company has evaluated the receivable balances and has made allowances for the estimated irrecoverable amounts and no further allowance/write-off is expected on the receivables by the Company. Refer Note 8.

**Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment leave encashment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Further details about defined benefit obligations are given in Note 28.





**AMEX ALLOYS PRIVATE LIMITED**

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

(All amounts are in INR Lakhs, as otherwise stated)

**34 Financial Risk Management Objectives & Policies**

The Company's principal financial liabilities comprise of short term borrowings, trade and other payables and financial guarantee contracts. Most of these liabilities relate to financing Company's working capital cycle. The Company has trade and other receivables, loans and advances that arise directly from its operations.

The Company is accordingly exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees management of these risks. The senior professionals working to manage the financial risks for the Company are accountable to the Board of Directors. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and overall risk appetite. In addition, independent views from bankers and currency market experts are obtained periodically to validate risk mitigation decisions. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Board of Directors review and agree policies for managing each of these risks which are summarized below:

**(a) Market Risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise currency rate risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, advances.

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rate movement.

**(i) Interest rate sensitivity**

Particulars	As at 31st March 2022	As at 31st March 2021
Variable rate borrowings	7,078.88	1,941.01
Total	7,078.88	1,941.01

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ decrease in basis points	Effect on Loss before tax
31 March 2022	+ 35 basis points - 35 basis points	24.78 (24.78)
31 March 2021	+ 35 basis points - 35 basis points	6.79 (6.79)

**(ii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in Euro. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The Company manages its foreign currency risk by way of a periodical assessment for hedging appropriate percentage of its foreign currency exposure.

**Foreign Currency Sensitivity**

The following table demonstrates the sensitivity in the USD, Euro and other currencies to the functional currency of the Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

Particulars	Change in currency exchange rate	Effect on loss before tax		Effect on equity	
		For the Year Ended 31 March 2022	For the Year Ended 31 March 2021	For the Year Ended 31 March 2022	For the Year Ended 31 March 2021
US Dollars	+5%	14.32	(4.26)	14.32	(4.26)
	-5%	(14.32)	4.26	(14.32)	4.26
Euro	+5%	(39.06)	63.35	(39.06)	63.35
	-5%	39.06	(63.35)	39.06	(63.35)

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt interest obligations. Further, the Company engages in financing activities at market linked rates and therefore, any changes in the domestic or global interest rates environment may impact future rates of borrowing. To manage this risk, the management maintains a robust portfolio mix of multiple borrowing products. Buyers credit is used as a financing mechanism provided the fully hedged cost of financing through this product results in cost lower than the INR cost based borrowing. In addition, the benefit of interest rate subvention under packing credit financing schemes provided by banks is also availed as appropriate. Dynamic switching between various financing products of the borrowing helps mitigate the interest rate risk adequately.

**(b) Credit Risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily trade receivables and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

**(i) Trade receivables**

Customer credit risk is managed by the Company's established policy, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit terms in line with respective industry norms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Debtors outstanding		Total
	Less than 180 days	More than 180 days	
Trade Receivables as of 31 March 2022	2,140.22	204.86	2,345.08
Trade Receivables as of 31 March 2021	2,707.42	105.99	2,813.41

The requirement for impairment is analyzed at each reporting date and provision is based on the Expected Credit Loss Method.

**Cash and bank balances**

The Company holds cash and cash equivalents with credit worthy banks at the reporting dates. The credit worthiness of such banks are evaluated by the Management on an on going basis and is considered to be good.





**Other financial assets**

The Company does not expect any losses from non-performance by the counter-parties.

**(ii) Financial instruments and cash deposits**

Credit risk from balances with banks is managed by Company's treasury in accordance with the Board approved policy.

**(c) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimized cost. It also enjoys strong access to domestic and international capital markets across various debt and hybrid instruments.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual payments:

Particulars	As at 31 March 2022		
	Less than 1 year	More than 1 year	Total
Borrowings	2,864.23	5,577.48	8,441.71
Lease liability	143.12		143.12
Trade Payables	3,460.84		3,460.84
Other financial liabilities	57.52		57.52
<b>Total</b>	<b>6,525.71</b>	<b>5,577.48</b>	<b>12,103.19</b>

Particulars	As at 31 March 2021		
	Less than 1 year	More than 1 year	Total
Borrowings	6,465.89	1,317.07	7,782.96
Lease liability	163.36	143.12	306.49
Trade Payables	3,425.51		3,425.51
Other financial liabilities	21.87		21.87
<b>Total</b>	<b>10,076.63</b>	<b>1,460.20</b>	<b>11,536.83</b>

**35 Capital Management**

Capital includes equity attributable to the equity holders of the Company and net debt. Primary objective of Company's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments, in light of the changes in economic conditions or business requirements. The Company monitors capital using a gearing ratio which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

**Gearing Ratio:**

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings	8,441.71	6,465.89
Less: Cash and cash equivalents	(82.90)	(199.61)
<b>Net Debt</b>	<b>8,358.81</b>	<b>6,266.28</b>
Equity	(441.00)	(91.22)
<b>Total Capital</b>	<b>(441.00)</b>	<b>(91.22)</b>
<b>Capital and Net Debt</b>	<b>7,917.81</b>	<b>6,175.06</b>
<b>Gearing Ratio</b>	<b>105.57%</b>	<b>101.48%</b>

**36 The following are Ratios disclosed:**

Ratio	Numerator	Denominator	Current Period	Previous period	% Variance	Reasons
Current Ratio	Current Assets	Current Liabilities	0.86	0.55	57%	The current ratio is monitored by the Company and improved current ratio is due to better negotiation of terms with the vendors and borrowings tenure of intercompany.
Debt Equity Ratio	Total Debt	Shareholders Equity	(19.47)	(88.68)	-78%	The debt equity ratio is an impact of the decrease in profits due to raw material price increase.
Debt Service Coverage Ratio	Profit/(Loss) after Tax	Interest & lease payments + Principal p	0.11	0.13	-15%	
Inventory Turnover Ratio	Profit after Tax	Shareholder's Equity	2.87	2.86	0%	
Trade Receivable Turnover Ratio	COGS or Sales	Average inventory	4.45	3.86	15%	
Trade Payable Turnover Ratio	Net credit sales	Average accounts receivable	1.65	1.34	24%	
Return on Equity	Net credit purchases	Average trade payables	82.34	(135.43)	-161%	
Net Capital Turnover Ratio	Revenue from Operations	Working capital	(12.29)	(2.09)	488%	The depreciating ratio is due to the sudden increase in the raw material prices due to the continuing COVID impact and geo political situation. The Company has taken steps to renegotiate the prices with the customers, the effect of which will be reflected in the subsequent year results.
Net Profit Ratio	Profit/(Loss) before interest and Tax	Revenue from Operations	(0.03)	0.01	-349%	
Return on Capital Employed	Profit/(Loss) before interest and Tax	Capital employed	0.02	0.08	-69%	
Return on Investment	Computed using Time Weighted Rate of Return		(1.68)	(1.14)	-47%	

\* Considered in CWIP and thereby not considered for ratio

**37 Additional Information**

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- To the best of its knowledge, The Company has not had any transaction with any struck-off companies.
- The Company does not have any charges or satisfaction yet to be registered with the ROC beyond the statutory period as at the year ended 31 March 2022.



### 38 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard 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, applicable from April 1, 2022, as below:

#### **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 significant impact in its financial statements.

#### **Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

#### **Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify 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. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

#### **Ind AS 109 – Improvements**

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 major impact in its financial statements.

#### **Ind AS 116 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

