



Coventry Coil-o-Matic (Haryana) Ltd.

Ref.: CCHL/2024-2025/

10th September 2024

Scrip Code and Name: **523415/COVEN COILOM**

**THE DEPARTMENT OF CORPORATE SERVICES,
THE MUMBAI STOCK EXCHANGE,
PHIROZE JEEJEEBHOY TOWERS,
DALAL STREET, MUMBAI – 400 001**

Sub : Annual Report for the year ended on 31st March 2024

Dear Sir,

As per requirement of regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, kindly find enclosed herewith Annual Report for the year ended 31st March 2024. The Annual General Meeting shall be held on 28th September 2024 at 10 am at the registered office of the Company.

Thanking you,

Yours faithfully,

For Coventry Coil-o-Matic (Haryana) Ltd.

Akshit Bafna

Whole Time Director

Encl. : As above

36th

ANNUAL REPORT

2023-2024



Coventry Coil-o-Matic (Haryana) Ltd.



Coventry Coil-o- Matic (Haryana) Limited
CIN No. L74999HR1988PLC030370

Corporate Information

Board of Directors

Mr. R. M. Bafna, Managing Director & CEO
Mr. Akshit Bafna, Whole Time Director
Ms. Renu Sharma, Director
Mr. Vivek Saxena, Director

Board Committee

<p>Audit Committee Mr. Vivek Saxena, Chairman Ms. Renu Sharma, Director Mr. R. M. Bafna, Managing Director & CEO</p>	<p>Stakeholders Relationship Committee Mr. Vivek Saxena, Chairman Mr. R. M. Bafna, Managing Director & CEO</p>
<p>Nomination & Remuneration Committee Mr. R. M. Bafna, Managing Director & CEO Mr. Vivek Saxena, Director Ms. Renu Sharma, Director</p>	<p>Registrar & Share Transfer Agents : Link Intime India Private Limited Plot No. NH 2, C-1 Block, Noble Heights, 1st Floor, LSC, Near Savitri Market, Janakpuri, New Delhi -110 0658 Ph. 011-49411000 Fax 011-41410591</p>

<p>Auditors : M/s. J K V S & Co. Chartered Accountants LGF Smart Works Co Working Space, World Trade Tower, Rajnigandha Underpass, Rajnigandha Chowk, Sector 16, Noida, Gautam Buddha Nagar Uttar Pradesh - 201301</p>	<p>Secretarial Auditors Siddiqui & Associates Company Secretaries D 49, Sarita Vihar New Delhi - 110076</p>
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Registered Office:

Vill. Salawas, Post Sangwari, Distt. Rewari - 123401, Haryana
Email : info@coilomatic.com

Company Secretary – Mr. Rishi Singh, Chief Financial Officer : Mr. Kamal Kishore Sharma

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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by the paperless compliances by the Companies and has issued circulars stating that allowing services of notice/documents including Annual Report can be sent by e-mail to its Members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold the shares in physical form are requested to send the details of their e-mail id to the Company or its Registrar & Share Transfer Agents Link Intime India Private Limited.

NOTICE

NOTICE is hereby given that the **36th Annual General Meeting of the Company shall be held on Saturday, the 28th September, 2024 at 10:00 a.m.** at its Registered Office - Village: Salawas, P.O. Sangwari, Distt. Rewari - 123 401 (Haryana), to transact the following businesses: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet of the Company as at 31st March 2024 and Profit and Loss Account for the year ended on that date together with the Reports of the Auditors and Directors thereon.
2. To appoint Director in place of Mr. Akshit Bafna (DIN 02151860), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

By Order of the Board of Directors

For **COVENTRY COIL-O-MATIC (HARYANA) LIMITED**

Sd/-

Date: 13th August, 2024

Place: Rewari

R.M. Bafna

Managing Director

DIN 00159855

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the meeting. Members, who hold shares in dematerialized form, are requested to bring their DP I.D. and Client I.D. for identification. A person can act as a proxy on behalf of Members not exceeding 10% of total share capital of the Company carrying voting rights. A Member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a certified copy of resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the special business is annexed here to.
5. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company will remain closed from 22nd September 2024 to 28th September 2024 (both days inclusive).
6. Members are requested to bring their copy of the Annual Report, as Copies of the Report will not be distributed again at the Meeting.
7. Members who have multiple accounts are requested to intimate to the Company, the Ledger Folio Numbers of such accounts and send all relevant Share Certificates to enable the Company to consolidate all shareholding into one account. The Share Certificates will be returned back to the Members after consolidation.
8. Members are requested to notify the Company of any change in address in full with Pin code numbers.
9. Members desirous of getting any information about the accounts and operations of the Company are requested to send their queries to the Company at its Registered Office, so as to reach at least 10 days before the date of meeting to enable the Management to keep the information ready.



10. Members/proxy-holders are requested to produce at the entrance the attached Admission Slip duly completed and signed for admission to the meeting hall.
11. All documents referred to are open for inspection at the Registered Office of the Company during Office hours on any working days.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents Link Intime India Private Limited.
13. Voting through electronic means

As per Sections 107 and 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, facility is provided to the Shareholders for e-Voting through CDSL to enable them to cast their votes electronically on the resolutions mentioned in the Notice of the 36th Annual General Meeting dated 13th August 2024. The detailed process, instructions and manner for availing e-Voting facility is shown elsewhere in this Annual Report. The e voting shall remain open from 25th to 27th September 2024. The Company has fixed 30th August, 2024 as a cut-off date to record the entitlement of the Shareholders to cast their votes electronically at the 36th Annual General Meeting. The Company has appointed Mr. K O Siddiqui, Company Secretary of Siddiqui & Associates, Company Secretaries, New Delhi, as scrutinizer for the purpose of e voting for this Annual General Meeting.

DIRECTORS REPORT

Dear Members

The Board of Directors take pleasure in presenting the 36th Annual Report on the business and operations of the Company, together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2024..

OPERATIONS AND FINANCIAL RESULTS

The financial working results for the year are as under :-

(Rs. Lakhs)

Particulars	For the year ended 31 st March 2024	For the year ended 31 st March 2023
Revenue from Operations	8,694.77	7,677.50
Other Income	29.40	7.64
Total Income	8,724.16	7,685.15
Operating Profit (PBDIT)*	29.20	153.73
Gross Profit (PBDT)*	(79.03)	76.97
Profit/ (Loss) before Tax	(156.46)	25.46
Profit/ (Loss) after Tax	(156.46)	25.46
Other Comprehensive Income / (Loss)	(27.42)	0.89
Balance carried to Balance Sheet	(183.88)	26.35
Other Equity - Closing Balance	(1719.92)	(1536.04)

*Excluding Exceptional Items

The year 2023-24 has been a year of growth of your Company due to improved demand. Financial and operational performances have largely been close to the budgets. Your Company managed to implement its plans and executed them more efficiently to post better financial results. The Turnover of the Company stood at

8,694.77 Lakhs in FY 2023-24 as against Rs. 7,677.50 Lakhs in 2022-23 thereby making a growth of 13.25% over the previous year. The Company, however, posted a Loss after Tax at Rs. 156.46 Lakhs as against Profit (PAT) of Rs.25.46 Lakhs in the previous year. This was largely because of increase in input cost as the Expenses of Operation have also increased by 15.93%. A detailed analysis of Company's operations in terms of performance in Markets business outlook risk and concerns forms part of the Management Discussion and Analysis, a separate section to this Annual Report.

There was no change in the business of the Company.

The Company did not transfer any amount to General Reserve.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT.

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

MANAGEMENT

Following are the disclosures required in respect of Management of the Company.

a. Retirement by Rotation

Pursuant to Article 136 of the Articles of Association of the Company and Section 149, 152 and other applicable provisions if any of the Companies Act, 2013, one third of such of the Directors as are liable to retire by rotation, shall retire every year at the Annual General Meeting and if eligible, may offer themselves for re-appointment. Consequently Mr. Akshit Bafna, Whole Time Director will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment in accordance with the provisions of Companies Act, 2013.

Your directors recommend his reappointment at the ensuing Annual General meeting.

b. Changes in Directors and Key Managerial Personnel

During the year there were no changes in Directors of the Company and Key Managerial Personnels of the Company.

c. Declaration by an Independent Director(s) and their Appointment –

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6), Code for independent directors of the Companies Act, 2013 and of the Listing Regulations.

d. Formal Annual Evaluation

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 8 of the Companies (Accounts) Rules, 2014, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of Directors on various parameters such as

- Board Dynamics and relationships
- Information flows
- Decision making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and Committees effectiveness
- Peer evaluation



The Companies Act, 2013 states that a formal evaluation needs to be made by the Board of its own performance and that of its committees. Schedule IV of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors excluding the director being evaluated.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board & Nomination & Remuneration Committee. The Board approved the evaluation results as collated by the Nomination & Remuneration Committees.

e. Directors Remuneration & Mean Remuneration of Employees

The numbers of permanent employees on the rolls of the company are 125

The information required pursuant to Section 197 read with Rule 5 (1) (i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration Managing and Whole Time Director to the median remuneration of the employees of the Company for the Financial Year ended 31st March 2024 are as under :

Remuneration of Managing Director **Rs. 3,75,000/- p.m.**

Mean Remuneration of the Employees of the Company : **Rs.45,924.00 p.m.**

The Managing Director and Whole Time Director of the Company are not drawing any commission from the Company. The Company is not having any Holding, subsidiary or Associate Company.

INDEPENDENT DIRECTORS

The Company is having two Independent Directors (including one Women Independent Director) namely Mr. Vivek Saxena and Ms. Renu Sharma. As per the provisions of section 149(4) the Company is required to have one third of Directors as Independent Director and the Company is having two Directors as Independent Director out of Four Directors. Moreover, as the paid-up Share Capital of the Company is Rs. 4,50,80,000 and its net worth is less than Rs. 25 crores and the regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

DIVIDEND

In order to conserve the resources of the Company, your directors do not recommend any dividend for the year 2023-24.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

SUBSIDIARY, JOINT VENTURES & ASSOCIATE COMPANIES

The Company is not having any subsidiary, joint ventures or Associate Companies. Accordingly, a Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 is not applicable.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. The Internal Financial Control has been designed to provide for :

- Adoption of Accounting policies in line with applicable accounting standards
- Proper recording of transaction with internal checks and reporting mechanism.
- Compliance with applicable statutes, policies, management policies and procedures.

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud,

error-reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

The Company has laid down Standard Operating Procedures and policies to guide the operations of each of its functions. Business heads are responsible to ensure compliance with these policies and procedures. Robust and continuous internal monitoring mechanisms ensure timely identification of risks and issues.

The management, statutory auditors M/s. J K V S & Co., Chartered Accountants, and internal auditors, M/s Mohit Jasuja & Associates, Chartered Accountants, have also carried out adequate due diligence of the control environment of the Company through rigorous testing.

DISCLOSURES

Meetings of the Board

Four meetings of the Board of Directors were held during the year as per details as hereunder :

S. No.	Date of Board Meeting	Strength of Board	Nos. of Directors present
1.	20.05.2023	Four Directors	Four Directors
2.	12.08.2023	Four Directors	Four Directors
3.	10.11.2023	Four Directors	Four Directors
4.	10.02.2024	Four Directors	Four Directors

Meetings of the Committee of Board

The Company is having Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee.

Audit Committee

Audit Committee is comprised of Mr. Vivek Saxena, Independent Director as Chairman, Mr. R. M. Bafna, Managing Director, as Member and Ms. Renu Sharma, Independent Director as Member.

During the year, the Audit Committee held Four Meetings which were attended by all the Members of the Committee. The Audit Committee meetings were held on 20th May 2023, 12th August 2023, 10th November 2023 and 10th February 2024.

Stakeholders Relationship Committee

Stakeholders Relationship Committee comprises of Mr. Vivek Saxena, Independent Director as Chairman and Mr. R. M. Bafna, Managing Director, as Member of the Committee. During the year the Company held only two Meeting on 12th August 2023 and 10th February 2024.

Nomination & Remuneration Committee

During the year ended 31st March 2024 the Nomination & Remuneration Committee was comprised of Mr. Vivek Saxena, Independent Director as Chairman, Mr. R. M. Bafna, Managing Director as Member, and Ms. Renu Sharma, Independent Director as Member.

During the year, one Meeting of the Nomination & Remuneration Committee was held on 12th August 2023.

It may be taken note of that Board has accepted the recommendation of all the committees wherever required. The Company has also drafted the Vigil mechanism and also the Policy on Related Party Transaction and Policy of Prohibition on Insider Trading.

Vigil Mechanism

Pursuant to rule 7 of the Companies (Meeting of Board & Power) Rules 2014, the Company has established a Vigil Mechanism/Whistle Blower Policy. The purpose of this mechanism is to provide a framework to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and provide adequate safeguards against the victimization of the person availing this mechanism.



This policy has been appropriately communicated with in the Organization and is effectively operational. The policy provides mechanism whereby whistle blower may send protected disclosures directly to the Chairman of Audit Committee or Ethics Officer.

Risk Management Policy

The Company has adopted a Risk Management Policy in accordance with section 134(3)(n) of the Companies Act 2013. It establishes various levels of accountability and overview within the Company.

The Audit Committee of the Board of the Company has been entrusted with the task to frame, implement and monitor the risk management plan for the company and it is responsible for reviewing the risk management plan and ensuring its effectiveness with an additional oversight in the area of financial risks and controls.

Board Diversity

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought perspective knowledge skill regional and industry experience cultural and geographical background age and gender which will help us in retaining our competitive advantage. Your Board comprises of experts in various fields and leadership skills and also has one women Director on the Board.

Nomination and Remuneration Policy

The Board on the recommendation of Nomination & Remuneration Committee has framed a policy for selection and appointment of Director & KMP and their remuneration. The Policy is annexed herewith as **Annexure B**.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013

The Company has put in place and practiced an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) had been set up to redress complaints regarding sexual harassment. All employees are covered under this policy. During the year under review, the Company has not received any complaint under the said Policy.

Related Party Transaction as per section 188 of the Companies Act 2013

With reference to section 134(3)(h) of the Companies Act 2013 all the transaction entered by the Company during FY 2023-24 with related Parties were in the ordinary course of business and on arm's length basis. The Company has formulated a policy on related party Transactions.

In terms of section 134(3) (h) of the Companies Act 2013 and Rules made there under, during the year under review, the Company has not entered any contract/ arrangements /transaction with related parties which could be considered material.

The details of the related party transaction entered during the year are provided in the accompanying financial statements.

Corporate Social Responsibility

Provisions relating to Corporate Social Responsibility under section 135 of the Companies Act, 2013 are not applicable to the Company.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

During the year the Company has not given any loans, made any investments and given any guarantees under 186 of the Companies Act, 2013 and also did not provide any securities for the purpose of loans or guarantees to any other Company.

Particulars of Employees

The Company is not having any Employee drawing salary in excess of the prescribed limits in terms of the

provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Purchase of Shares of the Company

In accordance to section 67(3) of the Companies Act 2013, the Company has not given any loans to persons in the employment of the company or its directors or KMP, to purchase or subscribe for fully paid-up shares in the company or its holding company (the Company do not have any holding Company) to be held by them by way of beneficial ownership.

Issue of ESOP Shares in the Company

In accordance to Rule 12(9), 16(4) of The Companies (Share Capital and Debentures) Rules, 2014 and clause 14 of SEBI (Share Based Employee Benefits) Regulations 2014 the Company has not issued any Employees Stock Option Scheme. Accordingly, the aforementioned Rules and said SEBI (SBEB) Regulations 2014 are not applicable.

Disclosure under section 136 of the Companies Act, 2013

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company and the same will be furnished on request. The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses.

Listing

The shares of your Company are listed on Mumbai and Calcutta Exchanges. But the shares of the Company are suspended because of non-payment of Annual Fee. The Company is the process of getting suspension revoked.

Annual Return

In accordance with the Companies Act, 2013, the annual return for 2023 in the prescribed format is available at Company's website www.coilomatic.com

Industrial Relations

During the year under review, Industrial Relations in the Company continued to be cordial and peaceful.

Significant and Material Orders of Regulators or Courts or Tribunals

There were no significant and Material Orders of Regulators or Tribunal which could have bearing on the Affairs of the Company during the year 2023-24.

Application under IBC

No Application made under Insolvency and Bankruptcy Code 2016 during the year 2023-24.

Details of difference between Valuation Amount on One Time Settlement and valuation while availing Loan from Banks and Financial Institutions

During the year under review there had been no One Time Settlement with the Bank or Financial Institution

CAPITAL AND DEBT STRUCTURE

As per disclosure regarding the Share Capital in accordance with Rule 4(4) and 8(13) of The Companies (Share Capital and Debentures) Rules, 2014, during the year there was no change in the Capital & Debt structure of the Company. Share Capital was not reclassified or restructured or no change in voting rights. The Company has not issued any shares with differential rights, Sweat Equity Shares or Employees Stock Option.



AUDITOR'S AND AUDITORS' REPORT

M/s. J K V S & Co. Chartered Accountants (Formerly Jitendra K Agarwal & Associates) (Firm Registration No. 318086E) Auditors of the Company were appointed as Statutory Auditors of the Company at the 34th Annual General Meeting held on 29th September 2022 to hold office for the second term of five consecutive years from the conclusion of the 34th Annual General Meeting of the Company, till the conclusion of the 39th Annual General Meeting to be held in 2027, as required under Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

The observations of Auditors in the Auditors Report and Management Reply to these Observations are explained in Annexure I to the Directors Report.

COST AUDITORS

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and are being maintained.

The Company on the recommendation of the Audit Committee has appointed M/s. Upreti & Co. (Firm Reg. No. 001928) Cost Accountants, with Neeraj Upreti as Proprietor having office at C2/112, Lodhi Colony, New Delhi 110003 for the financial year 2024-25, to look after the compliance into the matter.

Your Company has received consent from M/s. Upreti & Co., Cost Auditors of your Company for the financial year 2024-25 along with a certificate confirming their Independence.

SECRETARIAL AUDIT

In accordance with the provisions of section 204 of the Companies Act 2013 read with the Companies (Appointment of Managerial Personnel) Rules 2014, your Company had appointed M/s Siddiqui & Associates, Company Secretaries to conduct the Secretarial Audit of your Company for the year 2023-24. The Secretarial Audit Report for the year 2023-24 is annexed herewith as Annexure II to this Report. The Secretarial Audit Report does not contain any qualifications, reservations, or adverse remark.

This may also be noted that the Company is in the process of getting Suspension of Trading of Scripts of the Company revoked.

Reporting of frauds by auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, any instances of fraud committed against the Company by its officers or employees, under Section 143 (12) of the Companies Act, 2013, the details of which would need to be mentioned in the Board's report, which forms part of this Integrated Annual Report.

Compliance of Secretarial Standards

Pursuant to provisions of section 118 of the Act the Company has complied with the applicable provisions of the Secretarial Standards issued by the "The Institute of Company Secretaries of India" and notified by Ministry of corporate Affairs.

DEPOSIT UNDER CHAPTER V OF THE COMPANIES ACT 2013

During the financial year 2023-24, your Company has not accepted any deposits, within the meaning of section 73 and 76 of the Companies 2013 read with Companies (Acceptance of Deposit) Rules 2014, at the beginning or during or at the end of the financial year. However, the Company is having Unsecured Loans from Directors which is exempted deposit under the provisions of rule 2(1)(c) (viii) of the Companies (acceptance of deposit) Rules 2014.

CASH FLOW STATEMENT

A Cash Flow Statement, as required by the definition of Financial Statement under section 2(40) of the Companies Act 2013, is included in the Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT :

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial Instruments, which are measured at fair values, the provisions of the Companies Act, 2013 and guidelines issued by SEBI. The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially Adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The directors confirm that :

- In preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- The Directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.
- The Directors have laid down internal financial controls, which are adequate and are operating effectively.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO.

The information relating to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo required as per the provisions of Section 134 (3)(m) read with rule 8 (3) the Companies (Accounts) Rules, 2014, the required particulars are set out in Annexure B, forming part of this Report.

ACKNOWLEDGMENTS

Your directors would like to express their grateful appreciation for the co-operation and support extended to the Company by its Customers and various agencies of the Central Government, State Government of Haryana and Banks.

Your directors wish to place on record their sincere appreciation for the devoted services of all its employees and also express their gratitude to the member-shareholders for their continued patronage.

For and on behalf of Board of Directors.

Place: New Delhi
Dated: 13.08.2024

R. M. Bafna
Managing Director
DIN 00159855

Vivek Saxena
Director
DIN 07903817



ANNEXURES TO DIRECTORS' REPORT

ANNEXURE – A

(A) BASIS OF QUALIFIED OPINION IN THE AUDITORS' REPORT

The Auditors in its Auditors Report has expressed qualified opinion as under

Basis of Qualified opinion :

1. Going Concern Assumption may no longer be appropriate – As the Company has incurred significant operating losses, negative operating cash flow, negative working capital, adjudication of legal process against the company for loan liability, Notice of Recovery Officer-II of DRT-1, Delhi for settling sale proclamation for the sale of the factory property and negative net worth indicating that going concern assumption is no longer be appropriate. However, the management is continuing with the operations, therefore the accounts have been prepared on basis of going concern assumption. Consequently, adjustment for amount of assets and classification of liabilities required to be recorded has not been carried out.

Management Reply

Management has evaluated the circumstances and events and is of the view that it is largely because of earlier slowdown in the Auto Industry from which the Company has not been able to recover. The Company has now taken certain measures, the effect of which shall be seen in the coming years. This is a temporary phase and shall not affect the Company's ability to meet its obligations.

Auditors Qualification

- 2.1 Note No. (2K) of the statement for demand pronounced by DRT-I on 18-01-2016 of Rs. Rs. 8449.39 Lakhs together with Simple interest of 13.50% P.A. from 14-05-2007 which amounts to Rs. 27,718.85 Lakhs as on 31st March '24 (Gross Value before adjusting repayment through Cash and Land) related to liability of IFCI debt. Other liability of IDBI is yet to be ordered by Courts. Liability provided in the book against these are only of Rs. 393.59 lakhs, non-provision of Rs. 28,030.59 Lakhs.
- 2.2 Note No. 31(7)(E) para (k) of other notes to financial statements describes that company has not made provision calculated on the IFCI debts confirmed DRT-I on 18-01-2016 of Rs. 8449.39 Lakhs together with Simple interest of 13.5% P.A. from 14-05-2007 which amounts to Rs. 27,718.85 Lakhs as on 31st March'24 (Gross Value before adjusting repayment through Cash and Land) related to liability of IFCI debt. Other liability of IDBI is yet to be ordered by Courts. Liability provided in the book against these are only of Rs. 393.59 lakhs, non-provision of Rs. 28,030.59 Lakhs.
- 2.3 Had the provision been made, the loss for the year after tax Rs. 156.46 lakh would have resulted in loss of Rs. 28,187.06 lakh. Reserve & Surplus Deficit (Balance of Statement of Profit & Loss) would have been Rs. 29,750.52 lakh instead of Rs. 1,719.93 lakh

Management Reply

2.1, 2.2 and 2.3 The Company had deposited Rs. 5 Crore in the Punjab & Haryana High Court, Chandigarh which was given to Alchemist Asset Reconstruction Company Limited (AARCL) (Rs. 3 crore) and Kotak Mahindra Bank Ltd (KMBL) (Rs. Rs. 2 Crore) and the affect was taken in the Books. The Company, in this regard, has already handed over 10 Acres of land (valued by AARCL at Rs. 18 Crores).

Auditors Qualification

3. As per note 3 of the statement, the company had to give physical possession of a part of land comprising of approx. 10 acres whose approx. cost appearing in books is Rs. 12.02 Lakhs, to Alchemist Asset Reconstruction Company Ltd., assignees of IDBI & IFCI (Financial Institution) on 8th March 2013 as per the direction of Honourable Supreme Court who re-affirmed the interim orders of Honourable Punjab & Haryana High Court, Chandigarh of 9th August 2011. The land is sold by Alchemist Asset Reconstruction Company Ltd. at Rs. 1350 lakhs. The company is not made accounting entries on transfer of such lands and tax thereon if any.
4. Company have not worked out and provided for the Interest and penalty which will arise due to long outstanding of statutory dues and non-filing of statutory returns in time.

Management Reply

3. Impact is not ascertainable unless the land of 10 Acres is sold by AARCL, for which the physical possession is already given. Recently the Company has come to know that the Land is sold by AARCL to Varahalakshmi Infrastructure Private Limited, but the Company has not received any formal communication or confirmation in

this regard. The effect shall be made in the books only after the amount is ascertainable of the sale and the effect of the Interim Order is carried out.

4. As explained in 2 above.

Auditors Qualification

Annexure A to the Auditors Report

i. (c) On the basis of our examination of the records of the Company, the title deeds of immovable properties, plant and equipment are held in the name of the company except the company had given physical possession on 08-03-2013 of approx. 10 Acre land whose approx. cost appearing in the books is ₹ 12.02 Lakhs, to M/s. Alchemist Asset Reconstruction Company Ltd. (assignees of IDBI & IFCI) as per the directions of the Hon'ble Supreme Court who re-affirmed the Interim Orders of Hon'ble Punjab & Haryana High Court, Chandigarh of 09-08-2011. The land is sold by Alchemist Asset Reconstruction Company Ltd. at Rs. 1350 lakhs. The company is not made accounting entries on transfer of such lands and tax thereon if any.

Management Reply

Registry and other documents relating to sale of the land to third party is not available with the company, therefore necessary accounting entries could not be made in view of the matter stated above, we are unable to form any opinion relating to state of affairs, profit & loss, etc. in regards to the land, no effect has been given in the Fixed Assets Schedule of the Accounts.

Auditors Qualification

ix. a. In regard to the default in repayment of Term Loan, the divisional bench of Punjab and Haryana High Court, Chandigarh has passed an interim order of total long-term loan, interest etc. for Rs. 1850.00 lakhs. The company has not made provision during the year for balance amount of Rs. 705.34 lakhs as referred to in note no.- 32(7) (E) of Other notes.

Also, the company has not made provision calculated on the IFCI debts confirmed by the order dated 18-01-2016 in DRT-I, New Delhi by AARCL for the recovery of Rs. 8449.39 lakhs together with simple interest @ 13.50% p.a. from 14-05-2007 which amount to Rs. 23153.06 lakhs as referred in Note No. 33 (7) (E) para (k) of other notes to financial statements

Management Reply

As explained in 2.1 & 2.2 above.

ANNEXURE – “B”

INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH 2024.

A. CONSERVATION OF ENERGY

The Company's operations involve low energy consumption. Wherever possible, energy conservation measures have already been implemented and there are no major areas where further energy conservation measures can be taken. However, efforts to conserve and optimize the use of energy through improved operational methods and other means will continue.

FORM 'A' (See Rule 2)

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

a. DHBVN Ltd. – Power Purchased

		31.03.2024	31.03.2023
DHBVN Ltd. – Power Purchased (kwh)	Units	28,62,420.00	38,09,175.00
Total Amount	₹ Lakhs	237.86	288.20
Rate per Unit	₹	8.31	7.57

**b. IGL – CNG Purchase**

IGL - CNG – Gas Purchase (scm)	Units	3,69,002.00	NIL
Total Amount	₹ Lakhs	205.43	NIL
Rate per Unit	₹	55.67	NIL

c. Captive Generation

D.G. Sets (kwh)	Units	1,93,350.00	3,08,522.00
Total Amount	₹ Lakhs	43.49	80.00
Rate per Unit	₹	22.49	25.96

CONSUMPTION PER UNIT OF PRODUCTION – PRODUCT (SPRING)

Electricity	Total Units (kwh)	34,24,772.00	41,17,697.00
	Kwh/MT of Product	886.00	1034.29

B. TECHNOLOGY ABSORPTION**FORM 'B'****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY, RESEARCH & DEVELOPMENT (R & D)****a) Research & Development :****(1) Specific areas in which R & D is carried out by the Company :**

- Development of suspension springs for the 2-wheeler (Motorcycles and Scooters) Industry.
- Improvement in wire processing line for better surface finish and reducing breakages and warranties.

(2) Benefits derived as a result of the above R & D :

- Development of a new market such as the 2-wheeler Industry where there was no presence.

(3) Future plan of action :

- Review of existing products for developing cost effective products for other market areas.
- Improving its present manufacturing facilities for attaining higher market share.

(4) Expenditure on R & D :

- As Research & Development is carried out by concerned areas, no separate accounts are, therefore, maintained.

b) Technology absorption, adaptation & innovations :**(1) Efforts towards technology absorption, adaptation and innovation :**

- Increasing production efficiency by improving material handling systems and reducing stage work -in-process.

(2) Benefits derived as a result of above efforts :

- Reduced development time for new products.

C. FOREIGN EXCHANGE EARNINGS & OUTGO

	<u>2023-24</u>	<u>2022-23</u>
Foreign Exchange Earnings	₹ 9,78,275.00	₹ 3,19,559.00
Foreign Exchange Outgo	₹ 18,35,444.00	₹ 2,66,43,572.00

NOMINATION and REMUNERATION POLICY

Preamble

This Nomination and Remuneration Policy (“Policy”) has been formulated pursuant to the provisions of Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Regulation 19 of SEBI (LODR) Regulations, 2015 (erstwhile Clause 49 of the Listing Agreement), Regulations, Circulars, Clarifications and Notifications as applicable and amended from time to time (hereinafter referred to as “Law”), by the Nomination and Remuneration Committee (“Committee”) and approved by the Board of Directors of Coventry Coil o Matic (Haryana) Limited. (CCHL) (Hereinafter referred to as “Board”).

Objective

The objective of this Policy is to provide a consistent framework to the Committee to perform its functions in compliance with the Law pertaining to the appointment of, remuneration payable to and removal of, directors, key managerial personnel and senior management personnel and make appropriate recommendations to the Board.

Applicability

This Policy shall be applicable to all Directors, Key Managerial Personnel, Senior Management Personnel and other employees of CCHL, wherever applicable.

Definitions

“Key Managerial Personnel (KMP)” means the Managing Director & CEO, Chief Financial Officer and Company Secretary. “Senior Management Personnel” shall mean the Chief Operating Officers of the respective SBUs of the Company, people designated as Executive Directors & Corporate Function heads.

Criteria for appointment and removal of Directors, Key Managerial Personnel and Senior Management

1. Appointment criteria and qualifications

(a) Subject to Law and the HR Policy of the Company, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and/or Senior Management personnel in the manner as it deems fit and make appropriate recommendations (b) If required and considered fit by the Committee, appropriate consultations shall be held with CCHL MD & CEO.

2. Term / Tenure

The Term / Tenure of the Directors shall be governed by and as prescribed under Law.

3. Removal

Due to reasons for any disqualification mentioned under Law or any other justifiable grounds, the Committee may recommend to the Board, with reasons to be recorded in writing, for removal of a director or KMP or Senior Management Personnel.

Criteria for determining qualifications, positive attributes and independence of a Director

1. The Committee shall consider the age, education, experience and such specific skills as may be required for the concerned position of an executive, non-executive or independent director and shall assess the professional success, leadership skills, ethics, integrity and values in the candidates recommended to the Board of directors, along with the potential of value addition to CCHL.
2. The Committee shall also consider the personal qualities of each candidate to be able to make a substantial and active contribution to Board deliberations. The candidate must be willing to commit, as well as have, sufficient time available to discharge the duties of a director.
3. The Director should not have a direct or indirect material or pecuniary relationship with the Company, including its subsidiaries or affiliates or any member of senior management.
4. The Directors' independence will further be confirmed on an annual basis upon the declarations made by such directors as per the Law.
5. Every Director shall be obliged to forthwith inform the Committee and / or Board of any change in circumstances that may jeopardize his or her independence.



Remuneration payable to Directors, Key Managerial Personnel and other employees

1. Managing Director/ Whole-time directors

- a. The Nomination and Remuneration Committee shall make such recommendations to the Board, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time directors.
- b. The Remuneration/ Commission etc. to be paid to Managing Director/Whole-time directors shall be governed by Law read with Management Regulations of the Company and be subject to the approval of shareholders of the Company and Central Government, wherever required.

2. Non-Executive/ Independent Directors

- a. The Non-Executive / Independent Directors may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ` One lakh per meeting of the Board or Committee or such amount as may be prescribed by Law.
- b. The Non-executive / Independent directors may be entitled to reimbursement of reasonable and direct expenses for participation in the Board and other meetings and profit related commission as may be approved by the shareholders of the Company which shall not exceed 1% of the net profits of the Company or such amount as may be prescribed by law from time to time.
- c. An Independent director shall not be entitled to any stock option.
- d. The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other Directors.

3. KMP, Senior Management Personnel and other employees

- a. The remuneration of KMP (excluding the MD & CEO) and Senior Management Personnel shall be governed by the HR Policy of CCHL on the basis of recommendation of the MD & CEO of the Company.
- b. The remuneration of other employees shall be governed by the HR Policy of CCHL.
- c. The remuneration shall be subject to applicable taxes and the Company may withhold therefrom any amounts as are required to be withheld pursuant to the applicable laws. Any tax liability arising in respect of payments made pursuant to the remuneration shall be borne solely by the respective Director, KMP and Senior Management Personnel.

The Committee shall ensure that the –

- level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmark; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Performance Evaluation

The evaluation of Directors, KMP and Senior Management Personnel shall be conducted yearly or at such intervals as may be considered necessary.

Disclosure

Adequate disclosures pertaining to this Policy shall be made in the Annual Report as a part of Board's Report and on the website of the Company as required by Law.

Amendments

- The Committee and /or the Board may review and amend this Policy as and when it deems necessary.
- In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date of such amendment(s), clarification, circular(s) etc.

Form No. MR-3

SECRETARIAL AUDIT REPORT**(For the Financial year ended 31st March 2024)**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Coventry Coil-O-Matic (Haryana) Limited
87 Km, NH 8, Vill. Salawas, Post Sangwari,
Distt. Rewari - 123401, Haryana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Coventry Coil-o-Matic (Haryana) Limited** having CIN No. **L74999HR1988PLC030370** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Coventry Coil-o-Matic (Haryana) Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Coventry Coil-o-Matic (Haryana) Limited** for the financial year ended on **31st March 2024** according to the provisions of :

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. The Company is not having any FDI, ODI or ECB.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable to the Company during the Audit Period.**
 - d. The Securities and Exchange Board of India ((Share Based employee Benefits) Regulations, 2014
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable to the Company during the Audit Period.**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable to the Company during the Audit Period.**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable to the Company during the Audit Period.**
 - i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;
- vi. The Company has complied with various provisions of Labour Laws, Environmental Laws and other related applicable Laws to extent applicable to the Company. The Company has not paid the Annual Listing Fee to BSE and the Shares of the Company are suspended.

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

The Company has not paid Annual Listing Fee of Bombay Stock Exchange. The status of Company, at Bombay Stock Exchange is Suspended. The Company is in the process of getting the Suspension revoked.

The Company is manufacturer of Auto Components such as springs. It has manufacturing facilities at Sangwari at Delhi Jaipur Highway in Rewari Haryana. As informed by the Management, being an Automobile Component Manufacturer, there is no specific Law applicable to the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has had no major events or actions which are having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place : New Delhi
Date : 06th May 2024

for Siddiqui & Associates
Company Secretaries
Sd/-
K. O. Siddiqui
FCS 2229; CP 1284
UDIN: F002229F000319581
Peer Review Certificate No. 2149/2022
Firm Registration No. S1988DE004300

This report is to be read with our letter of even date which is annexed as Annexure "a" and forms an integral part of this report.

To,
The Members,
Coventry Coil O Matic (Haryana) Limited
87 Km, NH 8, Vill. Salawas, Post Sangwari,
Distt. Rewari 123401 Haryana

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for Siddiqui & Associates
Company Secretaries

Sd/-

K. O. Siddiqui

FCS 2229; CP 1284

UDIN: F002229F000319581

Peer Review Certificate No. 2149/2022

Firm Registration No. S1988DE004300

Place : New Delhi
Date : 06th May 2024



Management Discussion and Analysis

Overview

Coventry Coil-o-Matic (Haryana) Limited (CCHL) is one of India's leading integrated spring solutions Company offering a comprehensive range of products and solutions catering to multiple industries. It is a leading manufacturer of Auto Suspension Springs as well as Power Brake Actuator Springs for Commercial Vehicles and is one of the leading market players in springs for other Industrial Applications. Business from the Auto Suspension Springs and Power Brake Actuator Springs accounted for more than 90% of the total turnover.

We, at CCHL, are emphasising the central role of that Risk Management plans, both in term of ensuring effective internal control and in helping to manage risk which may threaten our Company's strategic objectives.

Macro-Economic Review

Global

The forces that affect a product or service's supply and demand within the market for the specified Automotive Spring are known as the Automotive Spring Market Dynamics. These factors include things like the economy, consumer preferences, market competition, and technological advancement.

Technology advances, a strong economy, and consumer confidence are just a few of the variables that could improve the company's position in the market. The demand for the goods or services provided by the Automotive Spring may rise as a result of rising consumer spending resulting from an expanding economy.

The market position of the Automotive Spring company, however, could be negatively impacted by a few factors, such as unfavorable economic conditions, increased competition, and changes in consumer behavior. When there is a recession, spending declines could mean that customers are less interested in the company's products or services.

Despite these obstacles, the company Automotive Spring can spot market niches where it can expand and advance. If a business uses the Automotive Spring Automotive Spring, it might be able to diversify into new markets or create new product lines to meet shifting consumer demands.

The auto ancillary market is anticipated to reach INR 7,756.98 Billion by FY 2027, expanding at a compound annual growth rate (CAGR) of 15.35% during the FY 2022-2027 period.

The Russia-Ukraine War on Automotive Spring Market

The Russia-Ukraine War have a significant impact on the automotive spring market. The market was expected to witness a slow growth rate due to disruptions in the global supply chain and reduced demand for vehicles. The major benefactor of this situation will be the established players and larger companies in the market, as they will have the capacity to weather the challenges, unlike smaller market players. Additionally, the war will lead to the implementation of new regulations and policies that will affect the production and sale of automotive springs. As a result, the market will need to adopt new technologies and strategies to remain competitive. The long-term consequences of these events are uncertain but will likely lead to industry consolidation, with larger firms acquiring smaller ones to maintain their market share and better withstand future disruptions.

India

The Auto Ancillary sector from India is mainly focused domestically and does not play a large role globally. But this tips the scale in its favor when we look at the strides it can make in terms of growth. An Auto Ancillary Industry is heavily dependent on the Automobile Industry.

The India - auto component market size is forecast to increase by USD 115.79 billion, at a CAGR of 25.7% between 2023 and 2028. The market growth analysis depends on several factors such as the growing middle-class population, the surge in demand for compact SUVs, and the government initiatives and policies for easy automotive industry setup procedures.

Luckily enough the Indian Automobile industry is the world's fourth-largest, with the country currently being the world's fifth-largest manufacturer of cars and seventh-largest manufacturer of commercial vehicles in 2021.

The Auto Component Manufacturers account for 7.1% of India's Gross Domestic Product (GDP) and employ as many as 5 million people directly and indirectly each.

Vehicle registration in India went up by a robust 27% year on year to 2.2 million by March 2024.

Moreover, retail sale of passenger vehicles went up by 16% on year to 335,123. However it is expected that the vehicle stocks shall remain in low single digit, going ahead on account of high base and better availability of vehicles.

The auto ancillary market is anticipated to reach INR 7,756.98 billion by financial year 2027, expanding at a compound annual growth rate (CAGR) of 15.35% during the financial year 2022-2027 period.

Indian Auto Component Industry expects auto component exports to grow by at least 50% from FY2023 levels and reach Rs. 2.4- 2.5 lakh crore by FY2030. Several global tier-1s and OEMs have expressed interest in sourcing from India through technology transfer, setting up JVs, etc. There is a visible increase in exports for those ancillaries from India that have material presence in overseas markets as well.

Automotive Spring Industry

It is imperative to stay informed about the latest market trends and advancements. One of the integral components that are used in the automotive industry is the Automotive Spring. This component plays a critical role in the smooth functioning of the vehicle and hence forms an essential part of any automobile's design.

The growth of the Automotive Spring market has been significant in the past few years, primarily due to the increasing demand for lightweight vehicles and fuel-efficient cars. With the rapid advancements in technology, the design and manufacturing of automotive springs have undergone significant developments, leading to higher efficiency and durability.

The market research indicates that the Automotive Spring market is expected to witness consistent growth in the foreseeable future, driven by the need for sustainable and more efficient vehicle solutions. The rising demand for electric and hybrid vehicles across the globe is also expected to propel the growth of the Automotive Spring market, as these vehicles require specialized springs for their complex suspension systems. As an expert in this industry, it is crucial to stay abreast of these developments and guide the clients towards better and cost-effective solutions that cater to their needs.

The global automotive spring market is expected to witness significant growth in the coming years, with North America, Asia Pacific, Europe, the USA, and China being the major regions contributing to this growth. The market is expected to be dominated by Asia Pacific, with a projected market share of 40% by 2025. This can be attributed to the increasing demand for automobiles in countries like India and China, coupled with the presence of prominent automobile manufacturers in the region. The North American region is also expected to witness substantial growth, owing to the rising demand for advanced automotive components and the increasing adoption of hybrid and electric vehicles. Meanwhile, the European region is projected to see steady growth, primarily due to stringent emissions regulations and increasing awareness about environmental issues. The market share valuation of the different regions is yet to be determined, given the dynamic nature of the market.

Financial Performance:

The year 2023-24 has been a year of growth of your Company due to improved demand. Financial and operational performances have largely been close to the budgets. The year 2023-24 has been a year of growth of your Company due to improved demand. Financial and operational performances have largely been close to the budgets. Your Company managed to implement its plans and executed them more efficiently to post better financial results. The net Turnover of the Company stood at 8,694.77 Lakhs in FY 2023-24 as against Rs. 7,677.50 Lakhs in 2022-23 thereby making a growth of 13.25% over the previous year. The Company, however, posted a Loss after Tax at Rs. 156.46 Lakhs as against Profit (PAT) of Rs.25.46 Lakhs in the previous year. This was largely because of increase in input cost as the Expenses have also increased by 35.55%.

Product Development:

Because of high operational costs as explained above, CCHL was not able to adapt the new technology to



increase its foray in the Front Suspension Springs for passenger cars and MUVs so as to further enable it to increase its presence in this segment again. However, with better control on its operational costs and reduction in raw material, the Company expects to start generating profits and be able to adapt the newer technology.

OPPORTUNITIES:

The shift towards zero emission mobility is an inevitable transition happening across the world and India cannot remain insulated from it. With growing focus on climate change and global warming, it is essential that India must move fast and take a leadership position in global electric mobility revolution. We at CCHL are already working towards that and trying to find better ways to support the electric mobility.

Moreover, the Government is already offering a number of incentives. Manufacturers such as Hyundai and Tata have already rolled out their EVs. In fact, Tata Nexon EV was launched very recently. The Government shall continue to support EV segment and we at CCHL are continuing with our efforts to produce better products for EV segments.

BUSINESS OUTLOOK AND OVERVIEW

Outlook

We are witnessing a transformational shift in the mobility domain, where the world is shifting towards shared and connected form of transport. India will be driver of shared, connected and zero mobility. By 2030 India is expected that nearly 35% of miles travelled shall be shared. Any change in the mobility landscape should be viewed through this prism. The slowdown is only temporary phase. The Automobile sector will bounce back.

In the wake of the continued drop in inflation and interest rates and favorable macro-economic sentiments, the RBI softened its stance on monetary tightening. Similarly, the Automobile segment is witnessing growing demand led by entrance of increasing number of foreign players.

Automotive Mission Plan 2016-26

- Indian automotive industry to grow 3.5-4 times of the current value of USD 74 billion to USD 260 -300 billion by 2026.
- India to be among top three automakers in the world along with China and US Auto Component to grow from the current levels of Rs120 billion to Rs 593.5 –732 billion
- Passenger vehicles likely to increase between 9.4 -13.4 million units from the current level of 3.2 million units Generate 65 million jobs (both direct and indirect) by 2026.
- OEM Domestic to touch 9.32 lakh and component market to 6.62 lakh by 2026.
- BSV norms to be adopted by 2019 and BSVI norms to be implemented by 2023 for passenger vehicles.

Risks

CHL recognizes the impact of industry uncertainties and their outcomes. At the heart of CHL business model is a comprehensive and integrated risk management framework. It comprises a clear understanding of strategy, policy initiatives, prudential norms, proactive mitigation and structured reporting. The Company faces several risks due to various uncertainties in external and internal factors. Prudent risk management system protects the Company and strengthens the business operations, as it is better prepared to face unforeseen challenges.

Human Resources

The Company has a diversified workforce with no discrimination interms of nationality, sex, religion, marital status, caste and creed. The Company adopts friendly human resource (HR) Policies to motivate its employees and create a congenial work environment. Merit-based recruitment, adequate training facilities, rewards and recognitions are some of the components of its HR policies. The Company drives skill enhancement, knowledge up gradation and employee motivation, which in turn, contribute to organizational excellence.

Internal Control

The Company has in place comprehensive and sound internal control practices across all processes, units and functions. It has well laid down policies and processes for management of its day-to-day activities. These controls are well designed and commensurate with the size and scale of operations. The Company regularly evaluates the adequacy and effectiveness of all internal controls, risk management, governance systems and processes and is manned by appropriately qualified personnel.

Challenges

Supply chain disruption in the automotive industry is a challenge that affects market growth. The major factors contributing to the disruption of the supply chain are the shortage of raw materials, logistics, and geopolitical tensions, which are expected to impede the growth of the auto component market in India during the forecast period. The supply chain constraints prevailing in the market due to the global shortage of semiconductors and high logistics and inventory costs caused by the COVID-19 pandemic, which reduced the production of auto components, further negatively impacted the auto component market in India.

Furthermore, the US government has imposed trade restrictions with Russia, which has led to supply chain disruption and shortages of raw materials for the production of auto components. For instance, in India, the sales of passenger cars dropped by 7.84%, which was down to 2,38,096 units in February 2022 from 2,58,337 units in February 2021. The war has led to implications of adding to inflationary pressure and pricing pressure and ultimately dealing another blow to the automotive manufacturers in India. Thus, such factors may impede market growth during the forecast period

The Company assumes no responsibility in respect of forward-looking statements herein which may undergo changes in future on the basis of subsequent development, information or events.



INDEPENDENT AUDITOR'S REPORT

To the Members of Coventry Coil-O-Matic (Haryana) limited Report on the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Coventry Coil-O-Matic (Haryana) Limited (“the company”), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, based on Basis of qualified opinion section or our report, aforesaid financial statements does not give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and does not give a true and fair view in conformity with the prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

1. Material Uncertainty related to Going Concern:

Note No. (14) of 31 of other notes to financial statement regarding Going Concern Assumption may no longer be appropriate – As the Company has incurred significant operating losses, negative operating cash flow, negative working capital, adjudication of legal process against the company for loan liability, Notice of Recovery Officer-II of DRT-1, Delhi for settling sale proclamation for the sale of the factory property and negative net worth indicating that going concern assumption is no longer be appropriate. However, the management is continuing with the operations, therefore the accounts have been prepared on basis of going concern assumption. Consequently, adjustment for amount of assets and classification of liabilities required to be recorded has not been carried out.

2. 2.1 The company has not made provisions of Interest & Other Charges on Secured Loans taken from Financial Institutions/ Banks (ICICI Bank and IDBI Bank) Rs. 705.34 lakhs as per interim order of the divisional bench of Punjab and Haryana high court, Chandigarh, as stated in Note No. – 31(7) of Other notes.

2.2 Note No. 31(7)(E) para (k) of other notes to financial statements describes that company has not made provision calculated on the IFCI debts confirmed DRT-I on 18-01-2016 of Rs. 8449.39 Lakhs together with Simple interest of 13.5% P.A. from 14-05-2007 which amounts to Rs. 27,718.85 Lakhs as on 31st March'24 (Gross Value before adjusting repayment through Cash and Land) related to liability of IFCI debt. Other liability of IDBI is yet to be ordered by Courts. Liability provided in the book against these are only of Rs. 393.59 lakhs, non-provision of Rs. 28,030.59 Lakhs.

2.3 Had the provision been made, the loss up to the year after tax Rs. 156.46 lakhs would have resulted in loss of Rs. 28,187.06 lakhs, Reserve & Surplus Deficit (Balance of Statement of Profit & Loss) would have been Rs. 29,750.52 lakhs instead of Rs. 1,719.93 lakhs.

3. The company had given physical possession of a part of land comprising of approx. 10 acres whose approx. cost appearing in books is Rs. 12.02 Lakhs, to Alchemist Asset Reconstruction Company Ltd., assignees of IDBI & IFCI (Financial Institution) on 8th March 2013 as per the direction of Honourable Supreme Court who re-affirmed the interim orders of Honourable Punjab & Haryana High Court,

Chandigarh of 9th August 2011. The land is sold by Alchemist Asset Reconstruction Company Ltd. at Rs. 1350 lakhs. The company is not made accounting entries on transfer of such lands and tax thereon if any.

4. Company have not worked out and provided for the Interest and penalty which will arise due to long outstanding of statutory dues and non-filing of statutory returns in time.

Our opinion is qualified in respect of the above matter. Impact with respect to 1, 3 and 4 above are presently not ascertainable and as such cannot be commented upon by us.

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

Emphasis of Matter

1. Note No. 31 (1A) (ii) to financial statement, which describes contingent liability not provided for claims under adjudication in DRT-I, New Delhi by AARCL for recovery of the dues calculated on the IDBI Debts Rs. 9,315.19 lakhs
(The Company has also filed counter claims of more than Rs.500 Crores on both KMBL and AARCL.)
2. We draw your attention to the following matters:
 - a) Note No. 31 (9) to financial statement, which describes Account Reconciliation/Confirmation in respect of certain accounts of Debtors have not been received and they are subject to confirmations and reconciliation. The management is of the opinion that adjustment, if any, arising out of such reconciliation would not have material effect on the financial statement of current year.
 - b) Note No. 31 (10) to financial statement, which describes Account Reconciliation/Confirmation in respect of certain accounts of Vendor's have not been received and they are subject to confirmations and reconciliation. The management is of the opinion that adjustment, if any, arising out of such reconciliation would not have material effect on the financial statement of current year.

Our opinion is not qualified in respect of the above matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue Recognition</p> <p>Revenue recognition is significant audit risk within the Company.</p> <p>For the financial year ended 31 March, 2024, the Company has recorded revenue amounting to Rs. 8,694.77 Lakhs. The accounting policies for revenue recognition are set out in Note 3.5 to the financial statements.</p> <p>We have identified sales cut-off to be significant because of the high volume of transactions and the varying sales, contractual and shipping terms. Revenue recognition is susceptible to the higher risk that the revenue is recognised when the control of goods has not been transferred to the customers</p>	<p>How our audit addressed the key audit matter:</p> <p>We assessed the overall sales process and the relevant systems and the design of controls over the capture and recording of revenue transactions. We have tested the effectiveness of controls on the processes related to revenue recognition relevant to our audit. We performed sample testing on revenue and checked that the revenue recognition criteria are appropriately applied. We have also performed cut-off tests to ensure the Company has complied with proper cut-off procedures and revenue is recognised in the appropriate accounting period.</p> <p>Our Observation:</p> <p>We found the Company's revenue recognition to be consistent with its accounting policy as disclosed in Note 3.5 to the financial statements. We are satisfied that the Company's revenue has been appropriately recognised and in the relevant accounting period.</p>
2	<p>Recoverability of Trade Receivable</p> <p>The gross balance of trade receivables as at March 31, 2024 amounted to Rs. 544.67 Lakhs, against which provision for doubtful debts amounting to Rs. 10.44 Lakhs was made as detailed in Note 8 to the financial statements.</p> <p>The Company assesses periodically and at each financial year end, the expected credit loss associated with its receivables. When there is expected credit loss impairment, the amount and timing of future cash flows are estimated based on historical, current and forward-looking loss experience for assets with similar credit risk characteristics. We focused on this area because of its significance and the degree of judgement required to estimate the expected credit loss and determining the carrying amount of trade receivables as at the reporting date.</p>	<p>How our audit addressed the key audit matter:</p> <p>We obtained an understanding of the Company's credit policy for trade receivables and evaluated the processes for identifying impairment indicators. We have reviewed and tested the ageing of trade receivables. We have reviewed management's assessment on the credit worthiness of selected customers for trade receivables. We further discussed with the key management on the adequacy of the allowance for impairment recorded by the Company and reviewed the supporting documents provided by management in relation to their assessment. We have also reviewed the adequacy and appropriateness of the impairment charge based on the available information.</p> <p>Our Observation:</p> <p>Based on our audit procedures performed, we found management's assessment of the recoverability of trade receivables to be reasonable and the disclosures to be appropriate.</p>

3	<p>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>How our audit addressed the key audit matter:</p> <p>We have obtained details of complete tax assessments and demands as at March 31, 2024 from management. We considered management's assessment of the validity and adequacy of provisions for uncertain tax positions, evaluating the basis of assessment and reviewing relevant correspondence and legal advice, where available, including any information regarding similar cases with the relevant tax authorities. We assessed validity and adequacy of provisions for uncertain tax positions in respect of various tax demands and liabilities and found the appropriateness of management's assumptions and estimates reasonable.</p>
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Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. We have obtained all other information prior to the date of this auditors' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, except of the matter described in Basis for Qualified Opinion paragraph above and the matter stated in paragraph 2(k) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) Due to the effects/ possible effects of the matter described in the basis for qualified opinion paragraph in our opinion, the aforesaid financial statements does not comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) the outcome of the matters described in Basis for Qualified Opinion and Emphasis of Matter paragraph above in our opinion, may have an adverse effect on the functioning of the company.
 - (f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
 - (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note No. 31 (1A) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a. The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds



- or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. There are nothing has come to their notice that has caused them to believe that the representations under sub-clause iv(a) and iv(b) contain any material mis-statement.
- j. The Company has not declared and paid any dividend during the year. Therefore, reporting in this regard is not applicable to the Company.
- k. The company has used accounting software (Tally) for maintaining its books of account which does not have a feature of recording audit trail (edit log) facility throughout the year for all relevant transaction recorded in the software, hence we are unable to comment on audit trail feature of the said software.

For J K V S & Co.
Chartered Accountants
Firm Reg. No. 318086E

Place: Noida (Delhi NCR)
Dated: May 28, 2024

Vineet Mahipal
Partner
Membership No.: 508133
UDIN:24508133BKGQER2694

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Coventry Coil-O-Matic (Haryana) Limited of even date)

- i. In respect of the Company's Property, Plant and Equipment and Intangible Asset:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b. The Company has conducted physical verification of Plant & Machinery and IT equipments during the year.
 - c. On the basis of our examination of the records of the Company, the title deeds of immovable properties, plant and equipment are held in the name of the company except the company had given physical possession on 08-03-2013 of approx. 10 Acre land whose approx. cost appearing in the books is ₹ 12.02 Lakhs, to M/s. Alchemist Asset Reconstruction Company Ltd. (assignees of IDBI & IFCI) as per the directions of the Hon'ble Supreme Court who re-affirmed the Interim Orders of Hon'ble Punjab & Haryana High Court, Chandigarh of 09-08-2011. The land is sold by Alchemist Asset Reconstruction Company Ltd. at Rs. 1350 lakhs. The company is not made accounting entries on transfer of such lands and tax thereon if any.
 - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no revaluation of Property, Plant and Equipment and Intangible Asset.
 - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated or are pending against the company for holding Benami Property under the "Benami Property (Prohibition) Act, 1988 or rules made thereunder.
- ii. a. The management has conducted physical verification of inventories during the year at reasonable interval and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.
- b. According to the information and explanation given to us, at any point of time of the year, the company has not been sanctioned any working capital facility from banks and financial institutions and hence reporting under clause (ii)(b) of the order is not applicable.
- iii. During the year, the Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured in firms, limited liability partnership or any other parties during the year, therefore provision of this clause is not applicable to company.
- iv. The Company has no transaction with respect to loan, investment, guarantee and security covered under section 185 and 186 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposit or amount which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. According to the records of the Company,
 - a) According to the records of the Company examined by us, the Company is irregular in depositing



undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value Added tax, Cess and other statutory dues as applicable, with the appropriate authorities. Company has not deposited following liabilities at the year-end for a period of more than six months.

Nature of Dues	Amount Exceeding Six months (Rs. in Lakhs)
Tax Deducted at Source (TDS)	60.49
Education Cess on TDS	1.81
Provident Fund	46.80
CST	44.26
Service Tax	17.51
Excise Duty	76.92

- b) According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings:

Name of the Statute	Nature Of Dues	Amount (Rs.in Lakhs)	Period to which the amount relates	Forum where dispute is pending
CST Act, 1956	CST	143.24	2017-18	Commissioner (ST), Rewari

viii. According to the information and explanation given to us, there were no transactions which have not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Therefore, provisions of clause 3(viii) of the Order are not applicable to the Company.

- ix. a. In regard to the default in repayment of Term Loan, the divisional bench of Punjab and Haryana High Court, Chandigarh has passed an interim order of total long-term loan, interest etc. for Rs. 1850.00 lakhs. The company has not made provision during the year for balance amount of Rs. 705.34 lakhs as referred to in note no.- 31(7) of Other notes.

Also, the company has not made provision calculated on the IFCI debts confirmed by the order dated 18-01-2016 in DRT-I, New Delhi by AARCL for the recovery of Rs. 8449.39 lakhs together with simple interest @ 13.50% p.a. from 14-05-2007 which amount to 27,718.85 Lakhs as referred in Note No. 31 (7) (E) para (k) of other notes to financial statements.

b. The company has been declared wilful defaulter by IFCI bank, ICICI Bank, Kotak Mahindra Bank and Alchemist Asset Reconstruction Company Limited.

c. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e. The Company has no subsidiaries, joint ventures or associates. Therefore, the provisions of clause 3(ix)(e) of the Order are not applicable to the Company.

f. The company has not raised loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associates companies.

- x. a. The Company did not raise any money by way of initial public offer or further public offer (including debt

- instruments) during the year. Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company
- x. a. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have we been informed of any such case by the management.
- b. We have not come across any instance of fraud, therefore report under sub-section 12 of section 143 of the Companies Act, 2013 is not required to be filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As reported to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. As per records of the Company examined by us, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business;
- b. We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year hence provision of section 192 of the Companies Act, 2013 are not applicable to the Company. Therefore, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.
- b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
- c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.
- d. According to the representations given by the management, there is no CIC as part of the Group.
- xvii. The Company has incurred cash loss amounting to Rs. 28,109.63 lakhs during the financial year covered under audit after taking effect of qualification as mentioned in point 2.3 basis of qualified opinion para amounted to Rs. 28,030.59 Lakhs and Rs. 26,809.83 lakhs in the immediately preceding financial year after taking effect of qualification amounted to Rs. 26,886.80 Lakhs. Impact with respect to point 1, 3 and 4 for basis of qualified opinion are presently not ascertainable hence not considered in cash loss.
- xviii. There has been no resignation of statutory auditor during the year. Therefore, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and



expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The Company has incurred losses during the three immediately preceding financial years and hence, it is not required to spend any money under sub-section (5) of section 135 of the Companies Act 2013. Therefore, the provisions of clause 3(xx) of the Order are not applicable to the Company.
- xxi. The Company does not have subsidiary, associate or joint venture. Therefore, the provisions of clause 3(xxi) of the Order are not applicable to the Company

For J K V S & Co.
Chartered Accountants
Firm Reg. No. 318086E

Vineet Mahipal
Partner

Membership No.: 508133
UDIN: 24508133BKGQER2694

Place: Noida (Delhi NCR)

Dated: May 28, 2024

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Coventry Coil-O-Matic (Haryana) limited of even date)

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

We have audited the internal financial controls over financial reporting of **COVENTRY COIL-O-MATIC (HARYANA) LIMITED** (“the Company”) as of **March 31, 2024** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

Basis of Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2024:

- a. The company did not have an appropriate internal control system in respect of ascertainment of Going concern assumption, as the Company has incurred significant operating losses, negative operating cash flow, negative working capital, adjudication of legal process against the company for loan liability, Notice of Recovery Officer-II of DRT-1, Delhi for settling sale proclamation for the sale of the factory property and negative net worth indicating that going concern assumption is no longer be appropriate.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2024, 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, and except for the possible effects of the material weakness described in the Basis of Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2024.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 financial statements of the Company, and the material weakness affect our opinion on the financial statements of the Company.

For J K V S & Co.
Chartered Accountants
Firm Reg. No. 318086E

Vineet Mahipal
Partner

Membership No.: 508133
UDIN: 24508133BKGQER2694

Place: Noida (Delhi NCR)
Dated: May 28, 2024

BALANCE SHEET AS AT 31st MARCH 2024

(Rs. in Lakhs unless otherwise stated)

Particulars	Note No.	As at 31st March, 2024	As at 31st March 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipment	5	933.60	829.24
(b) Capital Work in Progress		-	81.13
(c) Intangible Assets		10.63	12.97
		944.23	923.35
(d) Financial Assets			
(i) Other Non Current Financial Assets	6	51.82	59.32
		51.82	59.32
Current Assets			
(a) Inventories	7	468.10	397.78
(b) Financial Assets			
(i) Trade Receivables	8	748.65	517.06
(ii) Cash and Cash Equivalents	9	6.38	12.44
(iii) Bank balances other than (ii) above	10	5.85	-
(v) Other Financial Assets	11	1.91	0.25
(c) Other Current Assets	12	93.75	113.43
		1,324.64	1,040.97
Non Current Assets Classified as held for Sale		-	10.64
TOTAL ASSETS	(A+B+C+D)	2,320.69	2,034.27
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	13	450.80	450.80
(b) Other Equity	14	(1,719.93)	(1,536.04)
		(1,269.13)	(1,085.24)
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings	15	11.22	30.43
(b) Provisions	16	318.16	253.92
		329.38	284.35
Current Liabilities			
(a) Financial Liabilities:			
(i) Borrowings	17	704.80	600.13
(ii) Trade Payables	18		
Total outstanding dues of Micro, small & medium enterprises		81.93	45.60
Total outstanding dues of others		1,791.94	1,480.42
(iii) Other Financial Liabilities	19	332.40	293.21
(b) Other Current Liabilities	20	333.09	396.27
(c) Provisions	21	16.26	19.53
		3,260.43	2,835.16
TOTAL EQUITY & LIABILITIES	(E+F+G)	2,320.69	2,034.27

Material accounting policies and other notes forming part of financial statements 1-31

The Notes are an integral part of the Financial Statements

As per our report of even date attached

For J K V S & Co.

Chartered Accountants
Firm's Registration No. 318086E

For and on behalf of the Board of Directors
Coventry Coil-O-Matic (Haryana) Limited

Vineet Mahipal
Partner
Membership No. 508133

R M Bafna
Managing Director
DIN No. 00159855

Vivek Saxena
Director
DIN No. 07903817

Place: Noida (Delhi NCR)
Date: 28-05-2024

Rishi Singh
Company Secretary

Kamal Kishore Sharma
Chief Financial officer

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2024**

(Rs. in Lakhs unless otherwise stated)

Particulars	Note No.	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
INCOME			
I Revenue from Operations	22	8,694.77	7,677.50
II Other income	23	29.40	7.64
III Total Income (I+II)		<u>8,724.16</u>	<u>7,685.15</u>
EXPENSES			
(a) Cost of materials consumed	24	4,232.53	4,224.41
(b) Purchases of Stock - in - Trade	25	1,567.02	797.93
(c) Changes in Inventories of Finished Goods, Stock-In-Trade and Work-in-Progress	26	(68.78)	(88.12)
(d) Employee benefits expense	27	917.48	797.46
(e) Finance costs	28	108.23	76.77
(f) Depreciation and Amortisation expenses	29	77.43	51.51
(g) Other expenses	30	2,046.71	1,799.75
Total expenses		<u>8,880.63</u>	<u>7,659.68</u>
V Profit before Exceptional Items and Tax	(III-IV)	(156.46)	25.46
VI Exceptional Items		-	-
VII Profit before Tax	(V-VI)	(156.46)	25.46
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
IX Profit for the Year	(VII-VIII)	<u>(156.46)</u>	<u>25.46</u>
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		(27.42)	0.89
(ii) Income tax relating to above		-	-
Other Comprehensive Income for the Year (Net of Tax)		<u>(27.42)</u>	<u>0.89</u>
XI Total Comprehensive Income for the Year	(IX+X)	<u>(183.89)</u>	<u>26.35</u>
Earning per Share	(31)4		
(Nominal value of share Rs. 10)			
(1) Basic		(3.47)	0.56
(2) Diluted		(3.47)	0.56
Material accounting policies and other notes forming part of financial statements	1-31		

The Notes are an integral part of the Financial Statements

As per our report of even date attached

For J K V S & Co.

Chartered Accountants

Firm's Registration No. 318086E

For and on behalf of the Board of Directors
Coventry Coil-O-Matic (Haryana) Limited**Vineet Mahipal**

Partner

Membership No. 508133

R M Bafna

Managing Director

DIN No. 00159855

Vivek Saxena

Director

DIN No. 07903817

Place: Noida (Delhi NCR)

Date: 28-05-2024

Rishi Singh
Company Secretary**Kamal Kishore Sharma**
Chief Financial officer

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2024

a) Equity Share Capital

(Rs. in Lakhs unless otherwise stated)

Particulars	No. of Shares	Amount
Issued, Subscribed and paid up equity shares of ₹ 10 each.		
Balance as at 1st April 2022	4,508,000	450.80
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	-	-
Balance as at 31st March 2023	4,508,000	450.80
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the year	-	-
Balance as at 31st March 2024	4,508,000	450.80

b) Other Equity

	Retained Earnings	Total
Balance as at 31st March, 2022	(1,562.39)	(1,562.39)
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1st April, 2022	-	-
Profit / (Loss) for the Year	25.46	25.46
Other Comprehensive income for the Year Gain / (Loss)		
Remeasurement Gain / (Loss) on defined benefit plan	0.89	0.89
Balance as at 31st March, 2023	(1,536.04)	(1,536.04)
Changes in equity share capital due to prior period errors	-	-
Restated balance as at 1st April, 2023	-	-
Profit / (Loss) for the Year	(156.46)	(156.46)
Other Comprehensive income for the Year Gain / (Loss)		
Remeasurement Gain / (Loss) on defined benefit	(27.42)	(27.42)
Balance as at 31st March, 2024	(1,719.93)	(1,719.93)

Retained Earnings

Retained earnings are profit / (loss) earned by the company.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For J K V S & Co.
Chartered Accountants
Firm's Registration No. 318086E

For and on behalf of the Board of Directors
Coventry Coil-O-Matic (Haryana) Limited

Vineet Mahipal
Partner
Membership No. 508133

R M Bafna
Managing Director
DIN No. 00159855

Vivek Saxena
Director
DIN No. 07903817

Place: Delhi
Date: 28-05-2024

Rishi Singh
Company Secretary

Kamal Kishore Sharma
Chief Financial officer



STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31st, 2024

(Rs. in Lakhs unless otherwise stated)

Particulars	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
A Cash flow from Operating Activities:		
Net Profit before tax	(156.46)	25.46
Adjustments for :		
Depreciation and Amortisation expenses	77.43	51.51
Interest Expense	108.23	76.75
Interest Income	(1.41)	(1.79)
Provision for doubtful debts / loans & Advances	11.44	27.61
Excess Liabilities, Credit Balances, Provisions etc. Written Back (Profit) / Loss on sale of Property, Plant & Equipment	(0.34) (27.66)	(5.85) 4.64
Operating profit before working capital changes	11.24	178.33
Adjustments for changes in working capital :		
(Increase) / Decrease in Trade and other receivables	(227.99)	(81.11)
(Increase) / Decrease in Inventories	(70.32)	(140.62)
Increase / (Decrease) in Trade and other payables	322.52	519.01
Cash generated from operations	35.45	475.61
Income Tax Paid	(11.28)	(11.19)
Net cash generated from/(used in) Operating Activities (A)	24.17	464.42
B Cash flow from Investing Activities:		
Purchases of Property, Plant and Equipments	(90.20)	(471.20)
Proceeds from sales of Property, plant & Equipments	43.96	8.77
Purchase of Fixed Deposits	-	(5.84)
Interest Received	1.40	1.79
Net cash (used in) / generated from Investing Activities (B)	(44.83)	(466.48)
C Cash flow from financing activities:		
Net proceeds/(Repayment) of Long Term & Short Term Borrowings	85.46	43.08
Interest Paid	(70.86)	(55.99)
Net cash generated from/(used in) Financing Activities (C)	14.60	(12.91)
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	(6.06)	(14.97)
Cash and Cash equivalents at the beginning of the year	12.44	27.41
Cash and Cash equivalents at the end of the year	6.38	12.44
Current account with schedule bank	(6.06)	(14.97)
	0	-

Notes:

- 1 As per Ind AS 7, the Company is require to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company did not have any material impact on the Statement of Cash Flows.
- 2 The company has prepared cash flow statement as per indirect method.
- 3 Figures in the bracket indicate cash outgo / income.
- 4 Previous year figures have been regrouped and rearranged and reclassified wherever necessary to current year's classification.

The accompanying notes are an integral part of these Financial Statements

This is the Cash Flow Statement referred to in our report of even date

For J K V S & Co.

Chartered Accountants
Firm's Registration No. 318086E

Vineet Mahipal
Partner
M.No. 508133

Place: Noida (Delhi NCR)
Date: 28-05-2024

For and on behalf of the Board of Directors
Coventry Coil-O-Matic (Haryana) Limited

R M Bafna
Managing Director
DIN No. 00159855

Vivek Saxena
Director
DIN No. 07903817

Rishi Singh
Company Secretary

Kamal Kishore Sharma
Chief Financial officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2024
1 CORPORATE AND GENERAL INFORMATION

Coventry Coil-O-Matic (Haryana) Limited is a Public Limited Company incorporated in India having its registered office at Village Salawas, P.O. Sangwari, District Rewari (Haryana), India. It was incorporated as per the provisions of the Companies Act as Coventry Coil-O-Matic (Haryana) Ltd. in the year 23rd September 1988. The Company is listed on BSE Limited. The Company is primarily engaged in the manufacturing of Cold Formed Coil Springs.

2 BASIS OF ACCOUNTING
2.1 Statement of Compliance

These Financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016, other relevant provisions of the Act and other accounting principles generally accepted in India.

The Financial statements of the Company for the year ended 31st March, 2024 have been approved by the Board of Directors in their meeting held on 28th May, 2024.

2.2 Basis of Measurement

The Financial statements have been prepared on historical cost basis, except for following:

- Financial assets and liabilities that is measured at Fair value/ Amortized cost;
- Defined benefit plans – plan assets measured at fair value.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All Financial information presented in INR has been rounded off to the nearest lakh as per the requirements of Schedule III of "the Act", unless otherwise stated.

2.4 Use of Estimates and Judgements

The preparation of Financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the Financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current vs. Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to sold or consumed in 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 the 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 respectively.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

A summary of the material accounting policies applied in the preparation of the Financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the Financial Statements.

3.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition and is determined on first in first out(FIFO) basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. 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.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in Other Comprehensive Income.

3.3.1 Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2 Deferred Tax

- Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for Financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

- 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 the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in Other Comprehensive Income (OCI) 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 liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis
- Deferred tax includes Tax Credit under section 115JAA of Income Tax Act, 1961 recognized as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which Tax credit is allowed to be carried forward. The company review the "Tax Credit Entitlement" asset at each reporting date and writes down the assets to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

3.4 Property, Plant and Equipment

3.4.1 Recognition and Measurement:

- Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2 Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.
- Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.



3.4.3 Depreciation and Amortization

- Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries depreciation has been provided based on the useful life considered at 2-15 years.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation on assets built on leasehold land, which is transferrable to the lessor on expiry of lease period, is amortized over the period of lease.
- Depreciation method, useful lives and residual values are reviewed at each Financial year-end and adjusted if appropriate.

3.4.4. Disposal of Assets

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

3.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

3.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.5 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 or duties collected on behalf of the Government.
- The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

3.5.1. Sale of Goods

Revenue from the sale of goods is recognized when significant risks and rewards of ownership are transferred to customers and the company retains neither continuing managerial involvement to the

degree usually associated with ownership nor effective control over the goods sold. Revenue from the sale of goods is measured at the fair value of the consideration received or receivables, net of returns and allowances, trade discounts and volume rebates.

3.5.2. Interest Income

For all debt instruments measured either at amortized cost or at Fair Value through Other Comprehensive Income (FVTOCI), interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the Financial instrument or a shorter period, where appropriate, to the gross carrying amount of the Financial asset.

3.6 Employee Benefits

3.6.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

3.6.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

3.6.3. Post Employment Benefits

The Company operates the following post employment schemes:

- Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in Other Comprehensive Income. Remeasurement recognized in Other Comprehensive Income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

- Defined Contribution Plan

Defined contribution plans such as provident fund etc. are charged to the Statement of Profit and Loss as and when incurred.



3.6.4. Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit & Loss immediately.

3.7 Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

- Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.8 Borrowing Cost

- Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

- Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

3.9 Financial Instruments

A Financial instrument is any contract that gives rise to a Financial asset of one entity and a Financial liability or equity instrument of another entity.

3.9.1 Financial Assets

- Recognition and Initial Measurement:

All Financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A Financial asset is initially measured 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.

- Classification and Subsequent Measurement:

For purposes of subsequent measurement, Financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing Financial assets.

- Measured at Amortized Cost : A debt instrument is measured at the amortized cost if both the following conditions are met:
 - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
 - The contractual terms of the Financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI : A debt instrument is measured at the FVTOCI if both the following conditions are met:
 - The objective of the business model is achieved by both collecting contractual cash flows and selling the Financial assets; and
 - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in Other Comprehensive Income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- Equity Instruments measured at FVTOCI: Equity instrument in scope of Ind AS – 109 are measured at fair value. On initial recognition, an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in fair value in OCI. The election is made on an investment by investment basis.
- All other Financial instruments are classified as measured at FVTPL.

- Derecognition

The Company derecognizes a Financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the Financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

- Impairment of Financial Assets

The Company assesses at each date of Balance Sheet whether a Financial asset or a group of Financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other Financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the Financial asset has increased significantly since initial recognition.



3.9.2. Financial Liabilities

- Recognition and Initial Measurement:

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. 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.

- Subsequent Measurement:

Financial liabilities are measured subsequently at amortized cost or FVTPL. A Financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Statement of Profit and Loss. Other Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss.

- Financial Guarantee Contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

- Derecognition

A Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

- Offsetting Financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.10 Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.11 Provisions, Contingent Liabilities and Contingent Assets

3.11.1. Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.11.2. Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

3.11.3. Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

3.12 Intangible Assets

3.12.1. Recognition and Measurement

Other Intangible Assets

Software which is not an integral part of related hardware, is treated as intangible asset and are stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

3.12.2. Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit & Loss.

3.12.3. Amortization

- Other Intangible assets are amortized over a period of three years.
- The amortization period and the amortization method are reviewed at least at the end of each Financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.12.4. Intangible Assets under Development

Intangible Assets under development is stated at cost which includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.13 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.



The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

3.14 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both Financial and non-Financial assets and liabilities.

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 input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

3.15 Leases

3.15.1. The company as Lessor

Leases for which the Company is a lessor is classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.15.2. Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

3.15.3. Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re measured by discounting the revised lease payments using a revised discount rate.
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re measured by discounting the revised lease payments using a revised discount rate.

3.16 Standards issued but not yet effective

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 31, 2024, MCA has not notified any new standards or amendments to the existing standard applicable to the company.



4 Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the Financial statements is included in the following notes:

- **Useful lives of depreciable/ amortizable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

- **Provisions and Contingencies:** The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

- **Fair value measurement of Financial Instruments:** When the fair values of Financial assets and Financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Notes to the Financial Statement As on 31st March, 2024

NOTE 5 : Property, Plant and Equipment

(Rs. in Lakhs unless otherwise stated)

Particulars	(Rs. in Lakhs unless otherwise stated)										Grand Total	Assets held for Disposal
	Free Hold Land	Buildings	Tube well	Plant & Machinery	Office Equipment	Furniture & Fixture	Computers	Vehicles	Total	Intangible Assets Software		
Gross block as on 31st March 2022	20.74	227.27	0.39	253.78	30.42	8.19	4.69	131.44	676.92	-	676.92	-
Additions during the year	-	47.80	-	330.47	6.61	9.30	3.33	24.55	422.07	14.80	436.87	10.64
Deletions during the year	-	-	-	38.88	-	-	-	28.54	67.42	-	67.42	-
Gross block as on 31st March 2023	20.74	275.06	0.39	545.37	37.04	17.50	8.02	127.45	1,031.57	14.80	1,046.37	10.64
Additions during the year	-	8.74	-	191.76	0.32	0.23	1.22	-	202.27	-	202.27	-
Deletions during the year	-	-	-	0.40	-	-	-	8.46	8.86	-	8.86	10.64
Other Adjustment*	-	-	-	(20.00)	-	-	-	-	(20.00)	-	(20.00)	-
Gross block as on 31st March 2024	20.74	283.80	0.39	716.74	37.36	17.73	9.23	118.99	1,204.98	14.80	1,219.78	-
Accumulated depreciation as at 31st March 2022	-	56.04	0.26	60.28	20.51	4.24	3.27	35.51	180.12	-	180.12	-
Depreciation/amortization for the year	-	6.64	0.03	19.36	7.21	0.46	0.96	15.02	49.68	1.83	51.51	-
Depreciation/amortization on deletions	-	-	-	11.54	-	-	-	15.93	27.47	-	27.47	-
Accumulated depreciation as at 31st March 2023	-	62.68	0.29	68.11	27.72	4.70	4.23	34.60	202.33	1.83	204.16	0.00
Depreciation/amortization for the year	-	6.98	-	42.13	7.84	1.41	1.74	14.98	75.09	2.34	77.44	-
Depreciation/amortization on deletions	-	-	-	-	-	-	-	6.03	6.03	-	6.03	-
Accumulated depreciation as at 31st March 2024	-	69.66	0.29	110.24	35.56	6.11	5.97	43.55	271.39	4.17	275.56	0.00
Net block as at 31st March 2023	20.74	212.38	0.09	477.26	9.32	12.79	3.79	92.85	829.24	12.97	842.21	10.64
Net block as at 31st March 2024	20.74	214.14	0.09	606.49	1.80	11.61	3.27	75.44	933.59	10.63	944.22	(0.00)

a) The Company had given physical Possession on 08-03-2013 of approx. 10 Acre land whose approx. cost appearing in the books is Rs. 12.02 Lakhs, to M/s. Alchemist Asset Reconstruction Company Ltd. (assignees of IDBI & IFCI) as per the directions of the Hon'ble Supreme Court who re-affirmed the Interim Orders of Hon'ble Punjab & Haryana High Court, Chandigarh of 09-08-2011. The land is sold by Alchemist Asset Reconstruction Company Ltd. at Rs. 1350 lakhs. The company is not made accounting entries on transfer of such land and tax thereon if any.

b) Assets pledged and Hypothecated against borrowings: Refer Note No. 32(2)

* Other adjustment includes the grant received from government on purchase of testing machine.

5(A)

1. Age wise detail of Capital Work in progress

Particulars	As At March 31, 2024	As At March 31, 2023
Projects in progress		
< 1 Year	-	57.03
1-2 Years	-	24.10
2-3 Years	-	-
>3 Years	-	-
Total	-	81.13

2. Above project is not overdue and not exceeds its cost of original plan as at the reporting date



NOTES TO FINANCIAL STATEMENTS

(Rs. in Lakhs unless otherwise stated)

As at March 31,
2024

As at March 31,
2023

NOTE 6: OTHER NON-CURRENT FINANCIAL ASSETS

Unsecured, Considered Good		
Security Deposits	51.82	53.47
Deposits with Banks having maturity of more than 12 months held as margin money	-	5.85
Total	51.82	59.32

NOTE 7: INVENTORIES

(As valued and certified by the Management)

Raw Materials and Packing Materials etc.	116.42	139.99
Work-in-progress		
- Wire	73.14	38.80
- Spring	71.48	60.32
Finished Goods	124.75	103.56
Stores & Spares etc.	64.43	39.32
Scrap	17.88	15.79
Total	468.10	397.78

7A. Inventories are hypothecated to secure borrowings. [Refer to Note No. 15]

NOTE 8: TRADE RECEIVABLES

Unsecured

Considered good	748.65	517.06
Considered Doubtful – Credit Impaired	10.44	27.61
	759.09	544.67
Less: Allowance for expected credit loss	(10.44)	(27.61)
Total	748.65	517.06

Trade Receivable Ageing Schedule As at 31st March 2024	Undisputed		Disputed		Total
	Considered Good	Consider Doubtful	Considered Good	Consider Doubtful	
Unbilled	-	-	-	-	-
Not Due	529.94	-	-	-	529.94
Less Than 6 months	156.74	1.04	-	-	157.78
6 months- 1 Years	47.87	3.40	-	-	51.26
1-2 Years	14.10	4.01	-	-	18.12
2-3 Years	-	2.00	-	-	2.00
More than 3 Years	-	-	-	-	-
Total	748.65	10.44	-	-	759.09

Trade Receivable Ageing Schedule As at 31st March 2023	Undisputed		Disputed		Total
	Considered Good	Consider Doubtful	Considered Good	Consider Doubtful	
Unbilled	-	-	-	-	-
Not Due	179.76	-	-	-	179.76
Less Than 6 months	241.12	-	-	-	241.12
6 months- 1 Years	96.18	0.74	-	-	96.92
1-2 Years	-	13.07	-	-	13.07
2-3 Years	-	13.80	-	-	13.80
More than 3 Years	-	-	-	-	-
Total	517.06	27.61	-	-	544.67

NOTE 9: CASH AND CASH EQUIVALENTS

Balance with Banks		
In Current/Cash Credit Accounts	5.40	12.18
Cash in hand	0.98	0.26
Total	6.38	12.44

NOTE 10: BANK BALANCES (OTHER THAN NOTE: 10)**Earmarked balances with banks**

Balances with Bank in Fixed deposit and Margin Money	5.85	-
Total	5.85	-

NOTE 11: OTHER FINANCIAL ASSETS

(Unsecured, considered good)

Interest accrued on Deposits	0.26	0.25
Total	1.65	-

NOTE 12: OTHER CURRENT ASSETS

Balance with Government Authorities	-	9.44
Advance Income Tax, TDS and TCS	28.06	16.78
Advances for materials and services	2.83	13.43
Prepaid Expenses	11.06	6.07
Insurance Claim Recoverable	-	15.91
Amount Paid under Protest*	51.81	51.81
Total	93.75	113.43

*With regard to the amount received by the Company from District Revenue Officer-cum-Competent Authority, Rewari as land acquisition compensation for acquiring land measuring 5 Kanal 11 Marla (approx. 0.69 acre) of the factory land for widening of the Delhi-Jaipur NH-8 Highway.

As per the direction of the Debts Recovery Appellate Tribunal, Delhi (DRAT), the Company deposited in 2 instalments the total amount of ₹ 51.81 Lakhs with Debts Recovery Tribunal-1, Delhi (DRT-1) with a request to keep the same in an interest bearing account.

EQUITY AND LIABILITIES**NOTE 13: EQUITY SHARE CAPITAL****AUTHORISED**

1,00,00,000 (Previous Year: 1,00,00,000) Equity shares of Rs.10/-each	1,000.00	1,000.00
	1,000.00	1,000.00

ISSUED, SUBSCRIBED AND PAID-UP

45,08,000 (Previous Year: 45,08,000) Equity shares of Rs. 10 each fully paid up	450.80	450.80
Total	450.80	450.80

a) Reconciliation of equity shares

	No of Share	No of Share
Balance as at the beginning of the year	4,508,000	4,508,000
Increase / (Decrease) during the year	-	-
Balance as at the end of the year	4,508,000	4,508,000

b) Terms & Right of Equity shareholders

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each share holders. There is no restriction on distribution of dividend, however, the same is subject to the approval of the share holders in the Annual General Meeting except in the case of Interim Dividend.

c) Details of shares held by share holders holding more than 5% of the aggregate shares in the Company.

Coventry Spring & Engineering Company Limited	1,791,530	1,791,530
(In %)	39.74%	39.74%

d) Share holding pattern with respect of Holding or ultimate Holding company

The company doesn't have any Holding or ultimate Holding company.



e) Detail of Share holding of Promoters

Shares held by Promoters at the end of the year	As at March 31, 2024			As at March 31, 2023		
	Number of shares	% of Share	% increase / decrease) during the year	Number of shares	% of Share	% increase / decrease) during the year
P R Kibe	17,500	0.39%	No Change	17,500	0.39%	No Change
Inder Chand Mohnot	10,500	0.23%	No Change	10,500	0.23%	No Change
Manoj Kumar Gupta	10,000	0.22%	No Change	10,000	0.22%	No Change
Raj Kumar Khaitan	8,500	0.19%	No Change	8,500	0.19%	No Change
Thakural Dass Pausari	7,500	0.17%	No Change	7,500	0.17%	No Change
Gopal Krishan Dubey	7,000	0.16%	No Change	7,000	0.16%	No Change
Prasana Kumar Chajjar	6,000	0.13%	No Change	6,000	0.13%	No Change
Mahesh Kumar Aggarwal	5,500	0.12%	No Change	5,500	0.12%	No Change
Duli Chand Aggarwal	5,000	0.11%	No Change	5,000	0.11%	No Change
Mohan Lal Kandoi	5,000	0.11%	No Change	5,000	0.11%	No Change
Raj Kumar Sharma	5,000	0.11%	No Change	5,000	0.11%	No Change
Suresh Kumar Nohal	5,000	0.11%	No Change	5,000	0.11%	No Change
Gopal Das Khanna	4,500	0.10%	No Change	4,500	0.10%	No Change
Shiv Dutt Gupta	4,000	0.09%	No Change	4,000	0.09%	No Change
Shree Mani Mishra	4,000	0.09%	No Change	4,000	0.09%	No Change
Kishan Lal Purohit	3,500	0.08%	No Change	3,500	0.08%	No Change
Kunj Behari Aggarwal	3,500	0.08%	No Change	3,500	0.08%	No Change
Rajesh Kumar Matolia	3,500	0.08%	No Change	3,500	0.08%	No Change
Surendra Kumar Matolia	3,500	0.08%	No Change	3,500	0.08%	No Change
Suresh Kumar Gupta	3,500	0.08%	No Change	3,500	0.08%	No Change
Prem Chand Sharma	3,000	0.07%	No Change	3,000	0.07%	No Change
Praveen Kumar Singhi	2,000	0.04%	No Change	2,000	0.04%	No Change
Sharwan Kumar Aggarwal	2,000	0.04%	No Change	2,000	0.04%	No Change
Anil Bafna	1,010	0.02%	No Change	1,010	0.02%	No Change
Ashoke Mal Bafna	1,000	0.02%	No Change	1,000	0.02%	No Change
Jai Singh Singhi	1,000	0.02%	No Change	1,000	0.02%	No Change
Kishore Mal Bafna	1,000	0.02%	No Change	1,000	0.02%	No Change
Manjula Singhi	1,000	0.02%	No Change	1,000	0.02%	No Change
Narendra Mal Bafna	1,000	0.02%	No Change	1,000	0.02%	No Change
Prakash Mal Bafna	1,000	0.02%	No Change	1,000	0.02%	No Change
Rajendra Mal Bafna	1,000	0.02%	No Change	1,000	0.02%	No Change
Sandeep Bafna	1,000	0.02%	No Change	1,000	0.02%	No Change
Virendra Kumar	800	0.02%	No Change	800	0.02%	No Change
Harilal Keshavlal Shah	500	0.01%	No Change	500	0.01%	No Change
N Annamalai	500	0.01%	No Change	500	0.01%	No Change
Nirmal Navalakha	400	0.01%	No Change	400	0.01%	No Change
R K Roy Chaudhary	400	0.01%	No Change	400	0.01%	No Change
Purnendu Banerjee	100	0.00%	No Change	100	0.00%	No Change
Virendra Kumar	100	0.00%	No Change	100	0.00%	No Change
Ashoke Mal Bafna	10	0.00%	No Change	10	0.00%	No Change
Jagdish Chandra Malhotra	10	0.00%	No Change	10	0.00%	No Change
Jitendra Singh	10	0.00%	No Change	10	0.00%	No Change
Krishan Kumar Sharma	10	0.00%	No Change	10	0.00%	No Change
Munish Arora	10	0.00%	No Change	10	0.00%	No Change
Narendra Mal Bafna	10	0.00%	No Change	10	0.00%	No Change
Narendra Singh Brar	10	0.00%	No Change	10	0.00%	No Change
Prem Nath Arora	10	0.00%	No Change	10	0.00%	No Change
Rajendra Mal Bafna	10	0.00%	No Change	10	0.00%	No Change
Coventry Spring & Engg Co. Ltd.	1,791,530	39.74%	No Change	1,791,530	39.74%	No Change
Castleton Tea Co. (P.) Ltd	57,500	1.28%	No Change	57,500	1.28%	No Change

NOTE 14: OTHER EQUITY**Refer Note**

Retained Earnings	14(a)	<u>(1,719.93)</u>	<u>(1,536.04)</u>
Total		<u>(1,719.93)</u>	<u>(1,536.04)</u>

(a) Retained Earnings

Balance at the beginning of the year		<u>(1,536.04)</u>	<u>(1,562.39)</u>
Profit / (Loss) during the year		<u>(156.46)</u>	<u>25.46</u>
Add:- Other comprehensive Income for the year		<u>(27.42)</u>	<u>0.89</u>
Closing Balance		<u>(1,719.93)</u>	<u>(1,536.04)</u>
Total		<u>(1,719.93)</u>	<u>(1,536.04)</u>

Nature and purpose of other reserves/ other equity*Retained Earnings*

Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

NOTE 15: BORROWINGS**Term Loans (Secured)****From Banks/Financial Institution**

From Banks/Financial Institution	[Refer (a) below]	<u>272.00</u>	<u>272.00</u>
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From NBFC**Rupee loan**

Vehicle Loans	[Refer (b) below]	<u>30.43</u>	<u>51.56</u>
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Total Amount of Term Loans		<u>302.43</u>	<u>323.56</u>
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Current Maturity of Borrowings disclosed under the head "Short Term Borrowing"

[Refer Note: 17]		<u>(291.21)</u>	<u>(293.13)</u>
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Total		<u>11.22</u>	<u>30.43</u>
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Total Secured Borrowings		<u>11.22</u>	<u>30.43</u>
---------------------------------	--	---------------------	---------------------

Total Unsecured Borrowings		<u>-</u>	<u>-</u>
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Total		<u>11.22</u>	<u>30.43</u>
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- a) Various Term Loans amounting to ₹ 925.66 lakhs was availed between 1990 and 1992 from a consortium of 3 Financial Institutions (FIs) namely ICICI, IDBI and IFCI, with ICICI as the lead Institution, and was secured by first mortgage ranking pari-passu of all the immovable properties both present and future and a first charge by way of hypothecation of all the movables (save & except book debts) including movable machinery, spares, tools & accessories, present & future subject to prior charge to be created in favour of the company's bankers on the stock of raw materials, semi-finished and finished goods, consumable stock and such movables as may be agreed by the lead institution for securing the working capital requirements.

However the total amount so received was only ₹ 894.02 Lakhs and the balance was adjusted against Interest payable.

Over the years, the Company made a total repayment of ₹ 1286.77 Lakhs out of which ₹ 1101.88 Lakhs was made under/after the BIFR Scheme to the consortium member. The major portion of this was paid to the lead institution, ICICI, as part of approval for the BIFR Rehabilitation Scheme/Package.

In the meanwhile, ICICI assigned its debts to Kotak Mahindra Bank Ltd (KMBL) on 25-04-2005, and both IFCI and IDBI assigned their debts to Dhir & Dhir Asset Reconstruction and Securitisation Company Ltd. (now known as Alchemist Assets Reconstruction Company Ltd. (AARCL)) on 05-03-2008 for ₹ 304.00 Lakhs and 12-08-2008 for ₹ 411.50 Lakhs respectively.

Further to directions of the Hon'ble Punjab & Haryana High Court, Chandigarh, the Company deposited ₹ 500 Lakhs in the High Court which was appropriated to Alchemist Assets Reconstruction Company Ltd. (₹ 300 Lakhs) and Kotak Mahindra Bank Ltd, (₹ 200 Lakhs) on 09-08-2011.

The Company had given physical possession of Approx. 10.04 Acre land whose approx. cost appearing in books is Rs. 12.02 Lakhs, to Alchemist Asset Reconstruction Company Ltd., assignees of IDBI & IFCI (Financial Institutions) on 8th March 2013 as per the directions of the Hon'ble Supreme Court who re-affirmed the Interim Orders of Hon'ble Punjab & Haryana High Court, Chandigarh of 09-08-2011. The land is stated to be sold by Alchemist Asset Reconstruction Company Ltd. for Rs. 1350 Lakhs.

As per Hon'ble Supreme Court order dated 7.5.2012, AARCL was supposed to share Rs.450 lakhs with KMBL out of the sale proceeds of 10.04 acres land of the Company which was stated to be sold by AARCL for Rs.1350 Lakhs.

In view of the fact that KMBL received Rs.650 Lakhs (Rs.200 Lakhs out of deposit made by Company in Punjab & Haryana High Court and Rs.450 Lakhs out of sale of Company's excess land from Hon'ble Supreme Court's registry), KMBL and Coventry settled the pending matter OA.2/2007 and filed a joint application before DRT-2 Delhi in this regard, which then disposed off the matter as settled vide order dated 06.02.2021. The joint application inter-alia records the stipulation: "With the receipt of entire OTS amount of Rs.650 Lakhs along with accrued interest, the Applicant Bank/KMBL is left with no further claim against the Defendant No.1". However, it was agreed that Counter-claim of Coventry will continue against other lenders / assignees. AARCL has filed an application in March 2023 in pending Company appeal in Punjab & Haryana High Court to dispose off the appeal as infructuous in view of said settlement.

The Company is contesting the assignments and the exaggerated claims by the assignees in various Courts and Tribunals.

[for further details see Note no. 31 (7) (E)]

- b) Vehicle loans (from Mahindra & Mahindra Finance Limited, Toyota Financial service India Limited and HBD Financial Services Ltd.) are secured by way of hypothecation of related assets. These are repayable in maximum 60 Installments, repayment period thereof varying from December, 2020 ending on April '2026, bearing interest rate varying from 9.24% p.a to 12.51% p.a.
- c) Company have not filed any stock statement to banks in current financial year i.e. 23-24 and in previous financial year 22-23 due to disputes with banks as referred in Note 31 (7) (e).


NOTE 16: PROVISIONS

For Employee Benefits	[Refer note : 31(12)]		
(a) Gratuity (Unfunded)		274.89	220.53
(b) Leave Encashment (Unfunded)		43.27	33.38
Total		<u>318.16</u>	<u>253.92</u>

NOTE 17: BORROWINGS
From Directors (UnSecured)

Loan [Refer (a) & (b) below] 308.59 307.00

From Inter corporate Deposit(UnSecured)

Loan (KCJS Springs Private Limited) [Refer (c) below] 105.00 -

From Banks (Secured)

Current maturities of Long Term Borrowings [Refer note: 15] 291.21 293.13

Total 704.80 600.13

- (a) Unsecured loan amounted to Rs. 155 Lakhs (Previous Year Rs. 155 Lakhs) taken from Director (Mr. RM Bafna) vide resolution dated 13th February 2021 for period of nine months at the rate of 11.00 % . which is extended for one year vide resolution dated 14th February 2022 and 4th February 2023.
- (b) Unsecured loan amounted to Rs. 153.59 Lakhs (Previous Year 100.00) taken from Director (Mr. Akshit Bafna) vide resolution dated 14th February 2022 for period of one year at the rate of 11.00 % which is extended for one year vide resolution dated 4th February 2023.
- (c) Unsecured loan amounted to Rs. 105.00 Lakhs (Previous Year NIL) taken from KCJS Springs Pvt Ltd. vide resolution dated 10th February 2024 for period of one year at the rate of 9% wef 01-04-24.

NOTE 18: TRADE PAYABLES

Trade Payables for goods and services

- Total outstanding dues of Micro, Small and Medium enterprises [Refer note:31(3)] 81.93 45.60

- Total outstanding dues of others 1,791.94 1,480.42

Total 1,873.87 1,526.02

Trade Payable Ageing Schedule As at 31st March 2024	Undisputed		Disputed		Total
	MSME	Others	MSME	Others	
Unbilled	-	-	-	-	-
Not Due	-	97.98	-	-	97.98
Less Than 1 Year	81.93	1,677.57	-	-	1,759.50
1-2 Years	-	8.52	-	-	8.52
2-3 Years	-	3.95	-	-	3.95
More than 3 Years	-	3.91	-	-	3.91
Total	81.93	1,791.94	-	-	1,873.87

Trade Payable Ageing Schedule As at 31st March 2023	Undisputed		Disputed		Total
	MSME	Others	MSME	Others	
Unbilled	-	-	-	-	-
Not Due	42.29	1,317.43	-	-	1,359.72
Less Than 1 Year	3.31	159.20	-	-	162.51
1-2 Years	-	3.79	-	-	3.79
2-3 Years	-	-	-	-	-
More than 3 Years	-	-	-	-	-
Total	45.60	1,480.42	-	-	1,526.02

NOTE 19: OTHER FINANCIAL LIABILITIES

Employee related Liabilities 141.11 137.16

Interest accrued but not due on Borrowings 0.11 0.21

Interest accrued but due on Borrowings 121.60 121.60

Interest Payable on unsecured loan 65.92 28.45

Payable for Capital goods [Refer Note: 31(1)(B)] 3.65 5.79

Total 332.40 293.21

NOTE 20: OTHER CURRENT LIABILITIES

Advances Received from Customers 0.03 8.65

Statutory Dues 315.14 373.87

Bonus Liability 17.92 13.75

Total 333.09 396.27

NOTE 21: PROVISIONS

For Employee Benefits [Refer note:31(12)]

(a) Gratuity (Unfunded) 11.57 15.24

(b) Leave Encashment (Unfunded) 4.69 4.29

Total 16.26 19.53

NOTES TO FINANCIAL STATEMENTS

(Rs. in Lakhs unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME		
NOTE 22: REVENUE FROM OPERATIONS		
Sale of Products (Including Export Sales 27.61 Lakhs Previous Year 1.07 Lakhs)	8,628.65	7,626.33
	<u>8,628.65</u>	<u>7,626.33</u>
Other Operating Revenues		
Scrap Sale	64.58	39.80
Income from Job Work / Development Charges	1.53	11.38
	<u>66.11</u>	<u>51.18</u>
	<u>8,694.76</u>	<u>7,677.50</u>
NOTE 23: OTHER INCOME		
<u>Interest Income (Gross):</u>		
-On Fixed Deposits	1.41	1.79
-Profit on sale of Property, Plant and Equipment	27.66	
-Excess Liabilities, Credit Balances, Provisions etc. Written Back	0.34	5.85
	<u>29.40</u>	<u>7.64</u>
EXPENSES:		
NOTE 24: COST OF MATERIALS CONSUMED*		
Opening Stock	139.99	89.55
Add: Purchase including freight inward	4,208.96	4,274.84
	<u>4,348.95</u>	<u>4,364.40</u>
Less: Closing Stock	116.42	139.99
	<u>4,232.53</u>	<u>4,224.41</u>
*Cost of material includes material sold without processing Rs. 189.33 Lakhs (Previous Year: Rs. 17.71 Lakhs)		
NOTE 25: PURCHASE OF STOCK-IN-TRADE		
Purchase of Stock in Trade	1,567.02	797.93
	<u>1,567.02</u>	<u>797.93</u>
NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories at the beginning of the year		
Finished Goods	103.56	36.93
Work in Progress	99.12	92.16
Scrap	15.79	1.28
	<u>218.47</u>	<u>130.36</u>
Inventories at the end of the Year		
Finished Goods	124.75	103.56
Work in Progress-Wire	73.14	99.12
Scrap	17.88	15.79
Work in Progress- spring	71.48	
	<u>287.25</u>	<u>218.48</u>
(Increase) / Decrease	<u>(68.78)</u>	<u>(88.12)</u>
NOTE 27: EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus etc.	788.74	687.81
Contribution to Provident and Other Funds	50.95	38.80
Contribution to Gratuity Fund	31.00	26.50
Staff Welfare Expenses	46.78	44.33
Total	<u>917.48</u>	<u>797.46</u>
NOTE 28: FINANCE COSTS		
Interest to Banks on Term Loan	5.57	8.96
Interest to Director on Unsecured Loan	68.05	43.32
Interest to Others	34.60	24.48
Total	<u>108.23</u>	<u>76.77</u>
NOTE 29: DEPRECIATION AND AMORTISATION EXPENSES		
On Tangible Assets	77.43	49.68
On Intangible Assets	-	1.83
Total	<u>77.43</u>	<u>51.51</u>



(Rs. in Lakhs unless otherwise stated)

As at March 31,
2024

As at March 31,
2023

NOTE 30: OTHER EXPENSES

Consumption of Stores and Spare parts	338.67	339.30
Power & Fuel	489.91	407.79
Packing Material	57.39	52.99
Coating & Plating Charges	14.34	25.27
Spring Processing Charges	54.01	47.02
Wire Processing Charges	10.60	4.30
Repairs to Buildings	45.54	25.40
Repairs to Plant & Equipment	16.20	10.11
Repairs to Others Assets	15.50	12.53
Insurance	8.91	4.87
Legal & Professional fees	73.51	76.45
Consultancy Charges	164.97	166.33
Conveyance Expenses	43.97	30.91
Traveling expenses	83.92	51.38
Freight Outward	255.11	211.27
Director's Sitting Fees	1.20	1.20
Payment to Auditors	3.00	3.09
Bad debts Write off	45.39	-
Provision for doubtful debts / loans & Advances	11.44	27.61
Discount	89.79	104.69
Loss on sale of Property , Plant & Equipment	-	4.64
Watch & Ward expenses	14.55	11.88
Exchange Fluctuations (Net)	0.10	0.08
Hire charges	17.83	36.90
Miscellaneous Expenses	190.84	143.74
Total	2,046.71	1,799.75

[Refer Note: 31(11)]

COVENTRY COIL-O MATIC (HARYANA) LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

31. OTHER NOTES ON ACCOUNTS

1 A. Contingent liabilities

(Rs. in Lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Contingent liabilities not provided in respect of		
(i) Excise duty demand under Appeal No. E/3581/10-SM. Order dated 20.01.2011 amounting to ₹ 5,60,613/- pre deposited ₹ 1,50,000/- on dated 18.02.2011	-	4.11
(ii) 'Claims Under Adjudication (Refer Note No.21(B) (viii))		
• In DRT-II, New Delhi by KMBL for recovery	-	472.07
• In DRT-I, New Delhi by AARCL for recovery of the dues calculated on the IDBI debts.	9,315.19	9,315.19
(The Company has also filed counter claims of more than ₹ 500 crores on both KMBL and AARCL.)		
(iii) Sales Tax Demand*	143.24	188.76

The Company has reviewed all its pending litigations and proceeding and has adequately provided for where provision required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial position.

* In respect of certain disallowances and additions made by the Income Tax Authorities / Commercial Tax Authorities, appeals are pending before the various Appellate Authorities and adjustment, if any, will be made after the same are finally determined

B. Capital commitments:

(Rs. in Lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contract remaining to be executed on Capital Account and not provided for (Net of Advances)	-	16.79

2. Assets Mortgage and/or pledged as security

The carrying amount of assets Mortgage and/or pledged as security for current and non-current borrowings are :

(Rs. in Lakhs unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
Current:		
Financial assets		
Inventories	468.10	397.78
Total current assets pledged as security	468.10	397.78
Non-current:		
Land	20.74	20.74
Vehicles	75.44	92.85
Buildings	214.14	212.38
Plant & Machinery	606.49	477.26
Tube Well	0.09	0.09
Office Equipments	1.80	9.32
Furniture & Fixtures	11.61	12.79
Computers	3.27	3.79
Capital Work in Progress	-	81.13
Total non-currents assets Mortgage and/or pledged as security	933.59	829.23
Total assets Mortgage and/or pledged as security	1,401.69	1,227.01



3. Statement under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED):

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	(Rs. in Lakhs unless otherwise stated)	
	As at March 31, 2024	As at March 31, 2023
Principal amount and Interest due thereon remaining unpaid to any supplier as on	81.93	45.60
Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for. the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid during the accounting year.	1.4	2.56
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-

4. Earnings per share

Particulars	(Rs. in Lakhs unless otherwise stated)	
	As at March 31, 2024	As at March 31, 2023
Net Profit/(Loss) After Tax for the year (in Lakhs)	(156.46)	25.46
Weighted average Number of Equity Shares for computing Basic Earnings per share. (in Lakhs)	45.08	45.08
Weighted average Number of Equity Shares for computing Diluted Earnings per share. (in Lakhs)	45.08	45.08
Face value of per share	10.00	10.00
- Basic EPS	(3.47)	0.56
- Diluted EPS	(3.47)	0.56

5. The following table shows foreign currency exposures on financial instruments at the end/beginning of respective years.

Particulars		(Rs. in Lakhs unless otherwise stated)					
		As at March 31					
		2024			2023		
		Total	Hedged	Unhedged	Total	Hedged	Unhedged
Creditors	In USD	-	-	-	-	-	-
	In INR	-	-	-	-	-	-
Debtors	In USD	0.31	-	0.31	-	-	-
	In Euro	0.01	-	0.01	0.00	-	0.00
	In INR	0.75	-	0.75	0.30	-	0.30

6. Fair value of Financial assets & Financial liabilities (current & non current)

(A) Financial Instrument by Category

(Rs. in Lakhs unless otherwise stated)

Particulars	As at March 31					
	2024			2023		
	Fair Value through Profit & Loss (FVTPL)	Fair Value through Other Comprehensive Income (FVTOCI)	Amortised Cost	Fair Value through Profit & Loss (FVTPL)	Fair Value through Other Comprehensive Income (FVTOCI)	Amortised Cost
Financial Asset						
Non Current						
Other (Security deposits)	-	-	51.82	-	-	59.32
Current						
Trade Receivables	-	-	748.65	-	-	517.06
Cash and Cash Equivalents	-	-	6.38	-	-	12.44
Bank balances other than above	-	-	5.85	-	-	-
Others	-	-	1.91	-	-	0.25
Total of Financial Assets	-	-	814.61	-	-	589.08
Financial Liabilities						
Non Current						
Borrowings	-	-	11.22	-	-	30.43
Current						
Borrowings	-	-	704.80	-	-	600.13
Trade Payables	-	-	1,873.87	-	-	1,526.02
Employee Related Liability	-	-	141.11	-	-	137.16
Interest accrued but not due on Borrowings	-	-	0.11	-	-	0.21
Interest accrued but due on Borrowings	-	-	121.60	-	-	121.60
Interest Payable on unsecured loan	-	-	65.92	-	-	28.45
Payable for Capital Goods	-	-	3.65	-	-	5.79
Total Financial Liabilities	-	-	2,922.29	-	-	2,449.79

Fair Value Hierarchy

B) Financial Assets and liabilities measured at fair value – recurring fair value measurements (Sector wise Disclosure)

(Rs. in Lakhs unless otherwise stated)

Particulars	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
FVTPL	NA	NA	NA	NA	NA	NA
FVTOCI	NA	NA	NA	NA	NA	NA
Financial Liabilities	NA	NA	NA	NA	NA	NA

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.



Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Valuation Techniques used for fair value measurement

(Rs. in Lakhs unless otherwise stated)

Particulars	Fair value as on March 31, 2024	Valuation Technique	Unobservable input	Range
Unquoted Equity	NA	NA	NA	NA
Debt Securities	NA	NA	NA	NA
Hedge Funds	NA	NA	NA	NA
Forward Contract	-	Present Value	Reports from Bank	NA

Valuation processes

1. The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO) and the audit committee (AC).

2. Discussions of valuation processes and results are held between the CFO, AC and the valuation team quarterly, in line with the company's quarterly reporting periods. Changes in level 2 and 3 fair values are analyzed at the end of each reporting period during the quarterly valuation discussion between the CFO, AC and the valuation team. As part of this discussion the team presents a report that explains the reason for the fair value movements.

C) Fair Value of Financial Assets & Liabilities measured at amortized cost

(Rs. in Lakhs unless otherwise stated)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Asset				
Non Current				
Others (Security Deposit)	51.82	51.82	59.32	59.32
Current				
Trade Receivables	748.65	748.65	517.06	517.06
Cash and Cash Equivalents	6.38	6.38	12.44	12.44
Bank balances other than Cash & Cash Equivalent	5.85	5.85	-	-
Others	1.91	1.91	0.25	0.25
Total of Financial Assets	814.61	814.61	589.08	589.08
Financial Liabilities				
Non Current				
Borrowings	11.22	11.22	30.43	30.43
Trade payables				
Current				
Borrowings	704.80	704.80	600.13	600.13
Trade Payables	1,873.87	1,873.87	1,526.02	1,526.02
Employee Related Liability	141.11	141.11	137.16	137.16
Interest accrued but not due on Borrowings	0.11	0.11	0.21	0.21
Interest accrued but due on Borrowings	121.60	121.60	121.60	121.60
Interest Payable on unsecured loan	65.92	65.92	28.45	28.45
Payable for Capital Goods	3.65	3.65	-	-
Total Financial Liabilities	2,922.29	2,922.29	2,444.00	2,444.00

The fair Value of borrowing under litigation is same as carrying value as the matter is subjudice. For detail refer note 31 (7)(E).

- The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

- The company has not classified any financial assets as hedge instruments and hence hedge accounting is not applicable.

7. SUMMARY STATEMENT OF FINANCIAL RISK MANAGEMENT

The company's activities expose it to market risk, liquidity risk, credit risk, price risk and legal risk. In order to minimize any adverse effects on the financial.

Risk	Exposure	Measurement	Management Actions
A) Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing Analysis	Diversification of bank deposits, credit limits and letter of credit
B) Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecast	Availability of committed credit lines
C) Market Risk			
- Forex	Future commercial transactions	Sensitivity analysis	Forward foreign exchange contracts
- Interest Rates	Long term borrowings at variable rates	Sensitivity analysis	Interest rate
D) Price Risk	Investment in equity and debt instrument	NA	NA
E) Legal Risk	Borrowings from Banks	Matter is subjudice	Matter is subjudice

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market, credit and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

A) Credit Risk Management

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit. For banks and financial institutions, only high rated banks/institutions are accepted.

Credit Risk of various classes of assets is managed as given below:

I. Cash and cash equivalents and deposits with banks

The company maintains its Cash and Cash Equivalents with credit worthy banks and financial institutions and reviews it on an on-going-basis. Moreover, the interest bearing deposits are with banks of good reputation, good past track record and high quality credit rating. Hence the credit risk is assessed to be low. The maximum exposure to credit risk as at 31st March 2023 and 31st March 2022 is the carrying value of such cash and cash equivalents and deposits with banks as shown in note 10 and 11 of the financials.

II. Trade Receivables

Trade receivables of the company are typically unsecured and are derived from revenue earned from customers. Credit risk is managed through credit approvals and periodic monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. The major customers of company are highly reputed. Before sales company assess and evaluate the creditworthiness, general feedback about the customer in the market, past experience, if any with customer and accordingly negotiates the terms and conditions with the customers.

The company assesses its Trade receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit and loss, the company makes judgments whether there is observable data indicating a measurable decrease in the estimated future cash flows and from such Trade receivables. The company customer base is normally highly reputed clients. The company has a provisioning policy based on past experience, customer creditability and also on the nature of business.

The maximum exposure to the credit risk as at 31st March 2024 and 31st March 2023 is the carrying value of such trade receivables as shown in note 8 of financials.

Reconciliation of loss allowance provision

(Rs. in Lakhs unless otherwise stated)

Reconciliation of Loss Allowance	Loss allowance measured at 12 months Expected Losses	Loss allowance measured at Life time Expected Losses	
		Financial asset for which credit risk has increased significantly & credit impaired	Financial asset for which credit risk has increased significantly & not credit impaired
Loss allowance as on 31st March 2022	9.24	-	-
Provision for the year	18.37	-	-
Provision written back since earlier year provision written off or amount collected	-	-	-
Loss allowance as on 31st March 2023	27.61	-	-
Provision for the year	11.44	-	-
Provision written back since earlier year provision written off as amount is not recoverable from debtors	(28.61)	-	-
Loss allowance as on 31st March 2024	10.44	-	-



B) Liquidity Risk

1. The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.
2. The company have liquidity risk due to that all the outstanding are paid as and when funds are available based on the preferences. The Company manage its liquidity risk in a manner so as to meet its normal financial obligations. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position.

Maturities of financial liabilities

As on 31.03.2024

(Rs. in Lakhs unless otherwise stated)

Financial Liabilities	<12 months	>12 months	Total
Non Derivative			
Short term borrowings	704.80	-	704.80
Trade Payables	1,873.87	-	1,873.87
Long Term Borrowings	-	11.22	11.22
Other Financial Liabilities	332.40	-	332.40
Derivative	2,911.07	11.22	2,922.29

As on 31.03.2023

(Rs. in Lakhs unless otherwise stated)

Financial Liabilities	<12 months	>12 months	Total
Non Derivative			
Short term borrowings	600.13	-	600.13
Trade Payables	1,526.02	-	1,526.02
Long Term Borrowings	-	30.43	30.43
Other Financial Liabilities	293.21	-	293.21
Derivative	2,419.36	30.43	2,449.79

C) Market Risk Management

I. Foreign Currency Risk

1. The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$ and EURO. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimize the volatility of the INR cash flows of highly probable forecast transactions.
2. The company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company measures the forward contract at fair value through profit and loss not classified as hedge.
3. The spot component of forward contracts is determined with reference to relevant spot market exchange rates. The differential between the contracted forward rate and the spot market exchange rate is defined as the forward points.

(a) Foreign currency risk exposure

Particulars	As at March 31, 2024		As at March 31, 2023	
		USD/EURO in lakhs		USD/EURO in lakhs
Financial Assets	In USD	0.31		-
	In EURO	0.01		0.00
Financial Liabilities	In USD	-		-
	In EURO	(0.31)		-
Net Exposure	In EURO	0.01		0.00

(b) Sensitivity

Particulars	Sensitivity Analysis	Impact on PAT (USD in Lakhs)	
		March 31, 2024	March 31, 2023
USD Sensitivity (Increase)	0.10	(0.02)	-
USD Sensitivity (Decrease)	0.10	0.02	-
EURO Sensitivity (Decrease)	0.05	0.00	0.00
EURO Sensitivity (Decrease)	0.05	(0.00)	(0.00)

(c) Sensitivity

Particulars	Sensitivity Analysis	Impact on Other Equity (USD in Lakhs)	
		March 31, 2024	March 31, 2023
USD Sensitivity (Increase)	0.10	(0.02)	-
USD Sensitivity (Decrease)	0.10	0.02	-
EURO Sensitivity (Decrease)	0.05	0.00	0.00
EURO Sensitivity (Decrease)	0.05	(0.00)	(0.00)

II. Cash flow and Interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the group to cash flow interest rate risk. The group's borrowings at variable rate were mainly denominated in INR & USD. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

a) Interest rate risk exposure

(Rs. in Lakhs unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
Variable Rate borrowings	-	-
Fixed Rate Borrowings	716.02	630.56

b) Sensitivity Analysis

(Rs. in Lakhs unless otherwise stated)

Particulars	Impact on PAT	
	March 31, 2024	March 31, 2023
Interest Rate – increase by 50 basis points	-	-
Interest Rate – decrease by 50 basis points	-	-

D) Price Risk

I) Price Risk

(I) The entity do not have any investment in quoted securities or other equity instruments except for investments in group entities. Thus, the company is not exposed to any price risk.

II) Commodity Price Risk

The Company is affected by the price volatility of steel commodities. Its operating activities require the ongoing purchase of Steel therefore require a continuous supply of steel. Due to significantly increased volatility of the price of the steel, the Company has entered into various purchase contracts for steel.

The Company has developed and enacted a risk management strategy regarding steel price risk and its mitigation.

E) Legal Risk

The entity have legal risk which is defined as below:

Secured loan:

- a. The Company is contesting in various Courts and Tribunals the exaggerated claims by the assignees of the various Term Loans availed between 1990 and 1992 from a consortium of 3 Financial Institutions (FIs) namely ICICI, IDBI and IFCI.
- b. The Company availed Term Loans of Rs. 925.67 lakhs from 1990 and 1992 from the consortium, with ICICI as the lead Institution. However, the total amount so received was only Rs. 894.03 lakhs and the balance was adjusted against Interest payable. Due to recession in the market and accumulated losses which were partly occasioned by high interest rates and partly by time over-run and cost over-run, and



despite best efforts of the promoters and the management, the Company turned into a sick company and was referred to the Board for Industrial and Financial Reconstruction (BIFR) vide Reference Case No.197/97.

- c. A Rehabilitation Scheme/Package formulated and agreed upon by all the FIs was approved by the BIFR on 27-12-1999 wherein the dues were freshly determined and fixed as Rs. 1178 lakhs to be paid by 31-03-2002.

The Net Worth of the Company turned positive and after considering the Balance Sheet for the year ended on 31st March 2000, the BIFR closed the reference case on 04-10-2001.

- d. As per the package, one of the sources of finance to repay the FIs was Working Capital facilities. Since the Company was under RBI's defaulters list, no banks were willing to extend the required working capital limits. This was duly brought to the notice of the BIFR. However, despite the best efforts, the Company could not arrange the working capital limits thereby leading to delayed repayments to the Financial Institutions.
- e. In all, however, over the years, the Company made a total repayment of Rs. 1286.77 lakhs out of which Rs. 1101.89 lakhs was made under/after the BIFR Scheme to the consortium members. The major portion of this was paid to the lead institution, ICICI, as part of approval for the BIFR Rehabilitation Scheme/Package. As the Company did not have the details of amounts adjusted by and amongst members of the Consortium out of the various repayments made by it and since, ICICI (Later assigned to KMBL) had filed a winding-up petition in the High Court of Punjab & Haryana at Chandigarh on 08-10-2004 for recovery of Rs. 329.93 lakhs, the Company, after October 2005, (latter assigned to KMBL) preferred not to make any further payments to the FIs since the matter was sub-judice.

- f. In 2005, the RBI released a Scheme / Guidelines for One-Time Settlement of loan accounts of Small and Medium Companies. Since the Company fulfilled the criteria for availing the benefits under the said Scheme, which is binding upon the Banks and FIs, the Company re-calculated the payments made under the said Scheme, and after adjusting the amounts already paid to the consortium members, the dues towards the consortium came out to be Rs. 2.62 lakhs only.

The Company accordingly made an application under the OTS Scheme to the FIs before the deadline of end March 2006 and offered to pay the said amount of Rs. 2.62 lakhs.

- g. However, the Financial Institutions did not settle the Company's matter under RBI's OTS Guidelines and demanded unreasonably high amounts.

In the meanwhile, ICICI assigned its debts to Kotak Mahindra Bank Ltd. (KMBL) on 25-04-2005, and both IFCI and IDBI assigned their debts to Dhir & Dhir Asset Reconstruction and Securitisation Company Ltd. (now known as Alchemist Assets Reconstruction Company Ltd. (AARCL)) on 05-03-2008 for Rs. 304 lakhs and 12-08-2008 for Rs. 411.50 lakhs respectively.

Thereafter, the assignees filed various Applications under section 19 of The Recovery of Debts Due to Banks and Financial Institutions Act, 1993 for recovery of debts as follows:

- In DRT-II, New Delhi by KMBL on 23-01-2007 for recovery of Rs. 472.07 lakhs.
- In DRT-I, New Delhi by AARCL on 11-12-2008 for recovery of Rs. 8449.39 lakhs plus interest for dues calculated on the IFCI debts.
- In DRT-I, New Delhi by AARCL on 21-05-2012 for recovery of Rs. 9315.19 lakhs for dues calculated on the IDBI debts.

- h. The Company has also filed counter claims of more than Rs. 50000 lakhs on both KMBL and AARCL.

The final adjudication of the debt liability is yet to be completed by higher forums

AARCL (formerly D&DARSCL) also issued notice on 12-12-2008 under Section 13(2) of The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI), 2002 demanding an amount of Rs. 14446.60 lakhs against dues calculated on both IFCI and IDBI debts. With an application filed on 29-07-2009 u/s 14 of the SARFAESI Act with Dy. Commissioner, Rewari, they made an attempt to take possession of the Company's Assets. However, with timely actions, the Company obtained from the Hon'ble Punjab & Haryana High Court, Chandigarh Stay Order against any coercive action, if any, taken under SARFAESI Act for taking over the possession of the property in dispute.

- i. The Hon'ble Punjab & Haryana High Court, Chandigarh had through interim orders dated 21-01-2011 and 11-03-2011 directed the Company to deposit a sum of Rs. 500 lakhs in the High Court, which the Company complied with.

As per further directions of the Hon'ble High Court vide order dated 09-08-2011 the sum of Rs. 500 lakhs was appropriated as follows:

- Rs. 300 lakhs to Alchemist Assets Reconstruction Company Ltd., and
- Rs. 200 lakhs to Kotak Mahindra Bank Ltd.

Apart from the aforesaid payment of Rs. 500 lakhs, the assignees were also given the liberty by Division Bench of Hon'ble Punjab & Haryana High Court to recover further sum of Rs. 1350 lakhs from the sale of the surplus land appurtenant to the factory premises, without prejudice to rights and contentions of the parties. This had further been re-affirmed by the Hon'ble Supreme Court with modifications vide Orders dated 07-05-2012, 30-07-2012 and 01-03-2013. As per the directions of the Hon'ble Supreme Court on 01-03-2013, the Company has given physical possession of a part of the property comprising of approx. 10 acres of land to Alchemist Assets Reconstruction Company Ltd. on 08-03-2013. The Appeals are pending adjudication before the Division Bench of Hon'ble Punjab & Haryana High Court.

Since this was only an Interim Order and the amount is yet to be adjudicated, no provision for differential Interest has been made by the Company, nor has any effect been given in the Fixed Assets Schedule of the Accounts.

- j. Also, in compliance to the directions given by Hon'ble Debts Recovery Appellate Tribunal, Delhi (DRAT), the Company deposited with the Debts Recovery Tribunal - I, Delhi (DRT-I) a sum of Rs. 51.81 lakhs, which was received from the District Revenue Officer-cum-Competent Authority, Rewari as land acquisition compensation for acquisition of approx. 0.69 acres of the Company's land for widening of the Delhi-Jaipur NH-8 Highway.

As per the direction of the Recovery Officer (RO) of DRT-1, New Delhi vide order dated 27-10-2021, the aforesaid Rs.51.81 lakhs along with accrued interest has been released and paid to AARCL.

- k. Final Arguments in Debts Recovery Tribunal-1, Delhi (DRT-I) for dues calculated on the IFCI debts were made and pronouncement of the Order was made by DRT on 18-01-2016 for recovery of Rs. 8449.39 lakhs together with simple interest @ 13.5% p.a. The Company has filed on Appeal in the Appellate Court (DRAT) against this order, along with an Application for waiver of the pre-deposit. However, the application for waiver was dismissed by the DRAT on 12th October 2017 and consequently the appeal was dismissed by DRAT on 30th November 2017 on account of non-deposit of 75% of the amount ordered by DRT-I on 18-01-2016.

The Company has filed a Writ Petition in the Hon'ble High Court, Delhi against the Dismissal Orders of the Appellate Court (DRAT) as the Company is of the view that the said Order as well as DRT's Order is not in accordance with the law and after applying the Reserve Bank of India One-Time Settlement (RBI OTS) Guidelines and after adjusting amounts already paid, physical possession of part property given and amount deposited with the DRT, the Company is of the opinion that nothing will be due and payable by the Company to the Lenders/Assignees. On the contrary, amounts may become recoverable which claims have been filed by the Company. However, the said writ not listed as the Company pursued the matter before Hon'ble Punjab & Haryana High Court and the Hon'ble Supreme Court.

- l. In the meanwhile, the Appeal filed by the Company before the Commissioner, Gurgaon Div. was allowed on 10-03-2016. Court held that the Assignment Deed on the basis of which AARCL filed the case in DRT-I is under-stamped to the extent of about Rs. 500 lakhs Stamp Duty.

Against this Order of Id. Commissioner, Alchemist Asset Reconstruction Company Ltd. (AARC) had filed Writ Petition in the Punjab & Haryana High Court, Chandigarh which granted an interim stay on the Commissioner's Order. The said writ petition was finally allowed vide order dated 04-05-2023. The Company has filed an appeal against said order which is pending before the Division Bench.

- m. Pursuant to DRT-1 Judgement / Recovery Certificate dated 18-01-2016, the Recovery Officer-II of DRT-1, Delhi in February 2019 served a Notice for settling sale proclamation for the sale of the Factory Property. The Company's lawyer pointed out to the RO on 08.02.2019 that the description / area of land mentioned in the Notice is wrong and also that the Company had filed an application before the RO for keeping the proceedings in abeyance till the application filed by the Company challenging RO's orders of attachment and sale is decided by the Hon'ble Punjab & Haryana High Court. The matter before the RO is still pending, awaiting adjudication of High Court appeals.

The AARCL had filed separate application Under Section 19 of RDDB Act in respect of alleged debts of IDBI, which is also pending in DRT.

- n. As per Hon'ble Supreme Court order dated 7.5.2012, AARCL was supposed to share Rs.450 lakhs with KMBL out of the sale proceeds of 10.04 acres land of the Company which was stated to be sold by AARCL for Rs.1350 Lakhs. As AARCL failed to do so, KMBL filed Contempt Petition in Hon'ble Supreme Court which directed AARCL to deposit Rs.450 lakh in the Court. Finally, Hon'ble Supreme Court disposed off the contempt petition on 23.09.2019 and released said Rs.450 lakhs alongwith accrued interest to KMBL and



directed parties to raise their rival contentions before the High Court.

The appeals are pending before the Division Bench of Hon'ble Punjab & Haryana High Court at Chandigarh.

In view of the fact that KMBL received Rs.650 Lakhs (Rs.200 Lakhs out of deposit made by Company in Punjab & Haryana High Court and Rs.450 Lakhs out of sale of Company's excess land from Hon'ble Supreme Court's registry), KMBL and Coventry settled the pending matter OA 2/2007 and filed a joint application before DRT-2 Delhi in this regard, which then disposed off the matter as settled vide order dated 06.02.2021. The joint application inter-alia records the stipulation: "With the receipt of entire OTS amount of Rs.650 Lakhs along with accrued interest, the Applicant Bank/KMBL is left with no further claim against the Defendant No.1". However, it was agreed that Counter-claim of Coventry will continue against other lenders / assignees. AARCL has filed an application in March 2023 in pending Company appeal in Punjab & Haryana High Court to dispose off the appeal as infructuous in view of said settlement.

The appeals filed by the Company, in which stay was granted in favour of the Company, are pending before the Division Bench of Punjab & Haryana High Court at Chandigarh. The Hon'ble High Court would inter-alia adjudicate whether the claim raised by the assignees is exorbitant and excessive. Hon'ble Supreme Court also while disposing the Contempt petition of Kotak Bank against M/s Alchemist also directed to agitate all issues before the High Court. Earlier, M/s Alchemist had filed an application before the High Court to transfer the Company Appeal to the NCLT but withdrew the application on 09.04.2019 after Company objected to the same by filing a detailed reply. Now, in 2024, M/s Alchemist has filed a petition under Section 7 of IBC before the NCLT, Chandigarh, which is pending.

8. Capital Management

The Company objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less current investments and cash and cash equivalents) to equity ratio is used to monitor capital.

(Rs. in Lakhs unless otherwise stated)

Particulars	31.03.2024	31.03.2023
Net Debt	709.64	618.12
Total Equity	(1,269.13)	(1,085.24)
Debt Equity Ratio	-0.56	-0.57

9. Confirmation from Trade Receivables

The Company has process of sending confirmations of balance to Trade receivables through Electronic media once in a year. However account reconciliation/confirmation in respect of certain accounts of Debtors have not been received and they are subject to confirmations and reconciliation. Discrepancies, if any, found on receipt of confirmations shall be accounted for as and when the confirmations are received. The Management is of the opinion that adjustment, if any, arising out of such reconciliation would not have material effect on the financial statements of current year.

10. Confirmation from Trade Payables

The Company has a process of sending confirmations of balances to Trade payables through Electronic media once in a year. However account reconciliation/confirmation in respect of certain accounts of Vendors have not been received and the are subject to confirmations and reconciliation. Discrepancies, if any, found on receipt of confirmations shall be accounted for as and when the confirmations are received. The management is of the opinion that adjustment, if any, arising out of such reconciliation would not have material effect on the financial statements of current year.

11. Payments to auditors:

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended March 31	
	2024	2023
Audit Fees	1.50	1.50
Tax Audit Fees	0.40	0.40
Out of pocket expenses	-	0.14
Certification fees	0.50	0.45
Company Law matter	0.60	0.60
Total	3.00	3.09

12. EMPLOYEE BENEFITS

Defined Contribution Plan

a) Provident Fund & Other Funds : A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Provident Fund Act, 1952 and other acts to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended March 31	
	2024	2023
Contribution towards Provident Fund & other Funds	50.95	38.80

Defined Benefits Plan

Gratuity: The liability in respect of defined benefit plans includes Gratuity liability as per the provisions of the Payment of Gratuity Act, 1972 which is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. The company's obligation includes actuarial risk and investment risk. Actuarial gains and losses in respect of post-employment are charged to the Profit and Loss Statement.

Assumptions

Particulars	2023-24	2022-23
Approach Used	Projected Units Credit Method	Projected Units Credit Method
Future Salary Increase	8.50%	8.50%
Discount rate	7.10%	7.40%

Change in Net Defined Benefit Obligation

(Rs. in Lakhs unless otherwise stated)

Particulars	2023-24	2022-23
Liability at the beginning of the year	235.77	219.96
Interest Costs	17.45	15.18
Current Service Costs	13.56	11.32
Past Service Cost including curtailment Gains/ Losses	-	-
Benefits paid	(7.74)	(9.81)
Actuarial (Gain)/Loss on obligations due to change in Obligation	27.42	(0.88)
Liability at the end of the year	286.46	235.77

Net interest Cost

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended March 31	
	2024	2023
Interest Cost	17.45	15.18
Total	17.45	15.18

Service Cost

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended March 31	
	2024	2023
Current Service Cost	13.56	11.32
Total	13.56	11.32

Actuarial (Gain)/Loss on obligation

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended March 31	
	2024	2023
Actuarial (Gain)/Loss on arising from changes in Demographic Assumptions	-	-
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	6.19	(9.26)
Actuarial (Gain)/Loss on arising from Experience Adjustment	21.23	8.38



Balance sheet and related analysis

(Rs. in Lakhs unless otherwise stated)

Particulars	As at March 31	
	2024	2023
Present Value of the obligation at end	286.46	235.77
Unfunded Liability/provision in Balance Sheet	(286.46)	(235.77)
Unfunded Liability recognised in Balance Sheet	(286.46)	(235.77)

Amount recognised in Statement of Profit and Loss

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended March 31	
	2024	2023
Service Cost	13.56	11.32
Net Interest Cost	17.45	15.18
Expense recognised in statement of profit and loss	31.00	26.50

Other Comprehensive Income (OCI)

(Rs. in Lakhs unless otherwise stated)

Particulars	For the year ended March 31	
	2024	2023
Actuarial Gain or (Loss) for the year on PBO	(27.42)	0.88
Unrecognized actuarial gain/(loss) at the end of the year	(27.42)	0.88

Sensitivity Analysis

(Rs. in Lakhs unless otherwise stated)

Particulars	March 31, 2024	March 31, 2023
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	286.46	235.77
Impact due to increase of 1 %	(19.80)	(16.92)
Impact due to decrease of 1 %	22.38	19.14
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	286.46	235.77
Impact due to increase of 1 %	21.86	18.75
Impact due to decrease of 1 %	(19.74)	(16.90)

- Changes in Defined benefit obligation due to 1% Increase / Decrease in Mortality Rate, if all other assumptions remain constant is negligible.

(Rs. in Lakhs unless otherwise stated)

Maturity Profile of Defined Benefit Obligation			
2022-24		2021-23	
Year	Amount	Year	Amount
1	11.98	1	15.79
2	24.16	2	10.40
3	16.29	3	20.45
4	41.70	4	13.79
5	53.84	5	35.35
Above 5	393.17	Above 5	374.14

Description of Risk Exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

I. Financial Assumptions

A) Salary Increases- Salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

B) Discount Rate: The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post-employment benefit obligations.

II. Demographic Assumptions

Particulars	For the year ended March 31	
	2024	2023
Retirement Age	58 Years	58 Years

Mortality: Indian Assured Lives Mortality (2012-14) ultimate table. Rates at specimen ages are as shown below:

Age (Years)	2024	2023
20	0.09%	0.09%
30	0.10%	0.10%
40	0.17%	0.17%
50	0.44%	0.44%
60	1.12%	1.12%

Mortality Table Used	For the year ended March 31	
	2024	2023
	IALM (2012-14) ult.	IALM (2012-14) ult.

Withdrawal: Withdrawal rates are for all causes in accordance with the following table:

Age	For the year ended March 31	
	2024	2023
All Ages	2% P.A.	2% P.A.

Disability: Leaving service due to disability is included in the provision made for withdrawals from service (refer above for withdrawals)

13. Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one broad business segment and substantially sale of the product is within the country. The Gross income and profit from the other segment is below the norms prescribed in Ind AS 108. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

14. Material Uncertainty Related to Going Concern Assumption

The Company has incurred significant operating losses, negative operating cash flow, negative working capital, adjudication of legal process against the company for loan liability, Notice of Recovery Officer-II of DRT-1, Delhi for settling sale proclamation for the sale of the factory property and negative net worth indicating that going concern assumption is no longer be appropriate. However, the management is continuing with the operations, therefore the accounts have been prepared on basis of going concern assumption. Consequently, adjustment for amount of assets and classification of liabilities required to be recorded has not been carried out.

15. Deferred Tax Assets

There being virtual uncertainties of taxable income in subsequent year, hence deferred tax assets has not been created in these financials.

16. Related Party Transaction

(As identified by the Management and not verified by the Auditors.)

I Relationships:

(a) Key Managerial Personnel

- (i) Shri R.M. Bafna (Managing Director)
- (ii) Mr. Akshit Bafna (Whole time Director)
- (iii) Shri Kamal Kishore Sharma (Chief Financial Officer)



(b) Promoter and Enterprise significantly influenced by key management personnel and their relatives:

- (i) Coventry Spring & Engineering Co. Ltd.
- (ii) Bangalaxmi Steel Trading Co. Ltd.
- (iii) Castleton Spring (P) Ltd.
- (iv) KCJS Springs Pvt. Ltd.

(c) Relative of Directors

- (i) Mr. Kshitij Bafna (Son of Director)

II. The following transactions were carried out with the related parties in the ordinary course of business:

(Rs. in Lakhs unless otherwise stated)

S.no.	Particulars		Key Management Person	Relative of KMP	Enterprises over which KMP or relative of KMP have significant influence	Total
A	Remuneration	Current Year	73.80	-		73.80
		Previous Year	73.80	-		73.80
B	Loan Taken	Current Year	408.00	-	105.00	513.00
		Previous Year	52.00	-	0.00	52.00
C	Loan Repaid	Current Year	406.41	0.00	0.00	406.41
		Previous Year	-	0.00	0.00	0.00
D	Interest on Loan	Current Year	68.05	-		68.05
		Previous Year	43.32	-		43.32
E	Sale of Goods (Net of GST)	Current Year		-	781.35	781.35
		Previous Year		-	426.98	426.98
F	Purchase of Goods (Net of GST)	Current Year		-	59.65	59.65
		Previous Year		-	27.95	27.95
G	Retainership Fees Paid to CFO	Current Year	10.98	-		10.98
		Previous Year	9.36	-		9.36

(Rs. in Lakhs unless otherwise stated)

Closing Balance	For the year ended March 31	
	2024	2023
Receivables		
- Castleton Spring (P) Ltd.	-	1.16
- KCJS Springs Pvt. Ltd.	230.27	211.62
Payables		
- Remuneration (Kshitij Bafna)	-	11.97
- Remuneration (Akshit Bafna)	8.29	6.63
- Director Remuneration (R. M. Bafna)	49.45	42.90
- Director Remuneration (Smriti Bafna)	33.74	33.74
- Remuneration (Kamal Kishore Sharma)	1.02	0.88
- Interest on Unsecured Loan (R.M. Bafna)	30.73	15.35
- Interest on Unsecured Loan (Akshit Bafna)	35.19	13.10
- Director Loan (Akshit Bafna)	153.59	159.50
- Director Loan (R.M. Bafna)	155.00	155.00
- Intercorporate Loan (KCJS Ltd.)	105.00	-

17. Leases

The Company has recognised short-term leases over the lease term. The expenses related to short-term leases are Rs. 17.83 Lakhs (Previous Year 36.90 Lakhs) for the year ended March 31, 2024. There are no income from subleasing right-of-use assets nor any gains or losses from sales and leaseback of assets for the year ended March 31, 2024.

18. Disclosure of Ratios and their Elements as per the requirements of Schedule III to Companies Act 2013**(I) Analytical Ratios:**

Ratios		Numerator	Denominator	2023-24	2022-23	% Variance
a	Current Ratio	Current Assets	Current Liabilities	0.41	0.37	10.65%
b	Debt-Equity Ratio	Total Debt	Shareholder's Equity	(0.56)	(0.58)	-2.90%
c	Debt Services Coverage Ratio	Earning available for Debt Service	Debt Service	0.04	0.24	-84.55%
d	Return on Equity Ratio	Net profit after tax	Average Shareholder's Equity	0.13	0.02	517.42%
e	Inventory Turnover Ratio	Total Sales	Average Inventory	20.08	39.07	-48.60%
f	Trade Receivables Turnover Ratio	Total Sales	Average Trade Receivable	13.74	16.10	-14.68%
g	Trade Payables Turnover Ratio	Total Purchases	Average Trade Payable	0.29	0.19	51.25%
h	Net Capital Turnover Ratio	Total Sales	Working Capital	(4.66)	(4.81)	-3.08%
i	Net Profit Ratio	Net Profit	Total Income	-1.80%	0.33%	-642.64%
j	Return on Capital Employed	Earning before Interest & Tax	Equity+Debt	8.72%	-22.48%	-138.79%
k	Return on Investments	Income from Investments	Weighted Average Investment	NA	NA	NA

Reasons for Variance in excess of 25%

(c), (d) Debt Service Coverage Ratio, Return on Equity Ratio decreased due to decrease in profitability and increase in Loan.

(e) Inventory Turnover Ratio decreased due to increased in inventory.

(g) Trade payables Turnover Ratio decreased due to increased in creditors.

(i) Decrease in Net Profits Ratio due to decrease in profit after tax during current financial year.

(j) Return on capital employed ratio decreased due to decrease in profitability.

(k) Since there is no investment Return on Investment is not applicable

II The Company does not have any transactions with companies which are struck off.

III None of the Loans or Advances in the nature of loans as at 31st March, 2024 and as at 31st March, 2023 are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are: (a) repayable on demand or (b) without specifying any terms or period of repayment.

IV The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

V No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.

VI All the Registration of Charges or Satisfaction of Charges pending with the Registrar of Companies are following

Charge holder Name	Date of Creation	Amount (Rs. In Lakhs)	Reason
IFCI Limited	19-11-1991	16.00	Dispute with the lender
Alchemist Asset Reconstruction Company Limited	19-11-1991	780.28	Dispute with the lender
IFCI Limited	17-09-1990	68.00	Dispute with the lender
Alchemist Asset Reconstruction Company Limited	17-09-1990	780.28	Dispute with the lender
IFCI Limited	20-08-1990	125.23	Dispute with the lender
Alchemist Asset Reconstruction Company Limited	20-08-1990	780.28	Dispute with the lender
Alchemist Asset Reconstruction Company Limited	22-02-1990	780.28	Dispute with the lender

VII The company does have no any layer of companies during the current and previous year.

VIII The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



- IX 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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- X All title deeds of immovable property are held in the name of company.
- XI The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- XII The company has been declared wilful defaulter by banks and financial Institution.
- XIII During the year company has not revalued its Property, Plant and Equipment.
- XIV No intangible asset is under development during the current as well previous year.
- XV The compliance with approved Scheme of Arrangement is not applicable to the company during the current as well in previous year.

19. Figures for three previous periods have been Regrouped/Rearranged, wherever necessary.

In terms of our report of even date attached

For J K V S & Co.

Chartered Accountants

Firm's Registration No. 318086E

For and on behalf of the Board of Directors

Coventry Coil-O-Matic (Haryana) Limited

Vineet Mahipal

Partner

Membership No. 508133

R M Bafna

Managing Director

DIN No. 00159855

Vivek Saxena

Director

DIN No. 07903817

Place: Noida (Delhi NCR)

Date: 28-05-2024

Rishi Singh

Company Secretary

Kamal Kishore Sharma

Chief Financial officer

COVENTRY COIL O MATIC (HARYANA) LIMITED**Regd. Office: 87 Km, NH 8, Village: Salawas, P.O. Sangwari, Distt. Rewari - 123 401 (Haryana).****CIN: L74999HR1988PLC030370****NOTICE OF 36th ANNUAL GENERAL MEETING, E-VOTING INFORMATION AND BOOK CLOSURE**

Notice is hereby given that the 36th Annual General Meeting of the Company will be held on Saturday, the 28th September, 2024 at 10:00 a.m. at its Registered Office - Village: Salawas, P.O. Sangwari, Distt. Rewari - 123 401 (Haryana),

E – Voting : The members are hereby informed that in compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Listing Regulation and Secretarial Standards on General Meetings (SS2) issued by Institute of Companies Secretaries of India, the Company is providing to its members facility to cast votes electronically on all the resolutions set forth in the notice convening 36th Annual General Meeting as follows .:

1. To consider and adopt the Financial Statements as at on 31st March, 2024 together with the Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Akshit Bafna (DIN 02151860) Director who retires by rotation and being eligible offers himself for re-appointment.

The details pursuant to the provisions of the Companies Act, 2013 and the rules are given hereunder:

1. User Ids and passwords for exercising e – voting facility have been send to the shareholders holding shares in DEMAT form and to all other shareholders by posts at their usual addresses registered with the Company.
2. Date of Completion of dispatch of Annual report is 30th August, 2023.
3. The e-voting facility shall be available during the following voting period after which the portal will be blocked and shall not be available for e-voting.

Commencement of e-voting	From 09.00 a.m (IST) on Wednesday, September 25 th 2024
End of e-voting	Up to 05.00 p.m (IST) on Friday, September 27 th 2024

4. Important Notice: e – Voting shall not be allowed beyond 5.00p.m (IST) on September, 27th 2024.
5. The cutoff. Date (i.e., the record date for the purpose of e-voting is September 20th, 2024.
6. The Notice of the 36th Annual General Meeting is available on instavote website (<https://instavote.linkintime.co.in>)
7. For electronic voting instructions, Shareholders may go through the instructions in the Notice of 36th Annual General Meeting and in case of any query /grievances connected with the electronic voting, shareholders may refer the Frequently Asked Questions (FAQs) and e-voting manual for shareholders available at the download section of the website (<https://evoting.cdslindia.com>)
8. Notice pursuant to Section 91 of the Companies Act, 2013 and rule 10 of the Companies (Management and Administration) Rules, 2014, read Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also hereby given that the Registers of Members and Share Transfers Books of the Company will remain closed from 22nd September 2024 to 28th September 2024 (both days inclusive)

By Order of the Board
For **Coventry Coil-o-Matic (Haryana) Limited**

Place: New Delhi

Date: 13.08.2024

(R.M. Bafna)
Managing Director



**ATTENDANCE SLIP
COVENTRY COIL O MATIC (HARYANA) LIMITED**

**Regd. Office: 87 Km, NH 8, Village: Salawas, P.O. Sangwari, Distt. Rewari - 123 401 (Haryana).
CIN: L74999HR1988PLC030370**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
(Joint shareholders may obtain additional slip at the venue of the meeting)

Dp id*		Folio No.	
Client id*		No. of Shares	

Name & Address of the Shareholder

I have recorded my presence at the 36th Annual General Meeting of the Company held on Saturday, the 28th September, 2024 at 10:00 a.m. at 87 Km, NH 8, Village: Salawas, P.O. Sangwari, Distt. Rewari - 123 401 (Haryana)

*Applicable for investors holding shares in electronics form

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

COVENTRY COIL O MATIC (HARYANA) LIMITED

Regd. Office: 87 Km, NH 8, Village: Salawas, P.O. Sangwari, Distt. Rewari - 123 401 (Haryana).

CIN: L74999HR1988PLC030370

Name of the member(s)		e-mail Id :	
Registered address		Folio No/*Client Id :	
		*DP Id :	

I/We, being the member(s) of _____ shares of Coventry Coil o Matic (Haryana) Limited, hereby appoint:

- 1) _____ of _____ having e-mail id or failing him
- 2) _____ of _____ having e-mail id or failing him
- 3) _____ of _____ having e-mail id

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on Saturday, August 31st, 2024 at 10.00 a.m, 87 Km, NH 8, Village: Salawas, P.O. Sangwari, Distt. Rewari - 123 401 (Haryana) and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below:

S. No.	Resolution	For	Against
1.	To consider & adopt Audited Financial Statement, Report of Directors & Auditors		
2.	Appointment of a Director in place of Mr. Akshit Bafna (DIN: 02151860) who retires by rotation and being eligible offers herself for re-appointment.		

Signed this..... day of.....2024

(Signature of shareholder)

Affix
Rs. 1/-
revenue
stamp

(Signature of first proxy holder)

(Signature of second proxy holder)

(Signature of third proxy hold)

Notes:

- (1) This form of proxy in order to be elective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) A Proxy need not be a member of the Company.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.**
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.**
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.**

BOOK POST

LOCATION TO THE ANNUAL GENERAL MEETING



If undelivered please return to :

Coventry Coil-o-Matic (Haryana) Ltd.

Village Salawas, Post Sangwari,
Rewari-123401, Haryana