

**IPR EminoX Technologies Private Limited**

Balance Sheet as at March 31, 2023

*(All amounts are in INR thousands, unless otherwise stated)*

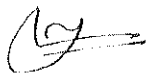
	Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,713.66	724.22
Capital work-in-progress	4A	1,600.00 <sup>1600</sup>	-
Intangible assets	5	5,858.09	207.18
Deferred tax assets (net)	2I	322.51	112.13
<b>Total non-current assets</b>		<b>12,494.26</b>	<b>1,043.53</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Trade receivables	6	5,411.20	605.54
Cash and cash equivalents	7	3,465.82	10,099.57
Other current assets	8	4,454.31	2,093.31
<b>Total current assets</b>		<b>13,331.33</b>	<b>12,798.42</b>
<b>Total assets</b>		<b>25,825.59</b>	<b>13,841.95</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9	20,000.00	10,100.00
Other equity	10	(1,737.98)	(374.41)
<b>Total equity</b>		<b>18,262.02</b>	<b>9,725.59</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	12	-	-
- total outstanding dues of micro enterprises and small enterprises;		-	-
- total outstanding dues of creditors other than micro enterprises and small		2,997.81	792.73
Other financial liabilities	13	2,214.69	2,983.17
Other current liabilities	14	2,351.07	340.46
<b>Total current liabilities</b>		<b>7,563.57</b>	<b>4,116.36</b>
<b>Total liabilities</b>		<b>7,563.57</b>	<b>4,116.36</b>
<b>Total equity and liabilities</b>		<b>25,825.59</b>	<b>13,841.95</b>
Significant accounting policies	3		

The accompanying notes form an integral part of these financial statements.


As per our report of even date attached

for **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration Number : 101248W/ W-100022

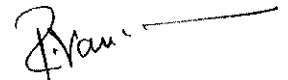
for and on behalf of the board of directors of  
**IPR EminoX Technologies Private Limited**  
CIN No: U28999TN2021PTC148825



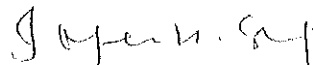
**T H Mahadevan**  
Partner  
Membership No.: 224352  
Place: Chennai  
Date: May 25, 2023



**A Venkataramani**  
Director  
DIN : 00277816  
Place: Chennai  
Date: May 25, 2023



**R Venkataraman**  
Director  
DIN : 09447798  
Place: Chennai  
Date: May 25, 2023



**Iyemperumal Meenakshi Sundaram**  
Director  
DIN : 08911146  
Place: Chennai  
Date: May 25, 2023

**IPR EminoX Technologies Private Limited****Statement of profit and loss for the year ended March 31, 2023***(All amounts are in INR thousands, unless otherwise stated)*

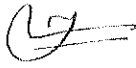
	Note	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
Revenue from operations	15	16,080.40	605.54
Other income	16	-	1,503.72
<b>Total income</b>		<b>16,080.40</b>	<b>2,109.26</b>
<b>Expenses</b>			
Cost of materials consumed	17	1,762.48	-
Employee benefits expense	18	6,400.38	581.80
Depreciation and amortization expense	19	1,690.25	7.84
Other expenses	20	7,801.24	2,006.16
<b>Total expenses</b>		<b>17,654.35</b>	<b>2,595.80</b>
<b>Loss before tax</b>		<b>(1,573.95)</b>	<b>(486.54)</b>
<b>Tax expense</b>			
Current tax	21	-	-
Deferred tax benefit	21	210.38	112.13
<b>Loss for the year / period</b>		<b>(1,363.57)</b>	<b>(374.41)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss		-	-
<b>Net other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year / period</b>		<b>(1,363.57)</b>	<b>(374.41)</b>
<b>Earnings per equity share (Nominal value of share INR 10/-)</b>			
Basic and Diluted	23	(0.82)	(3.68)
Significant accounting policies	3		


The accompanying notes form an integral part of these financial statements.

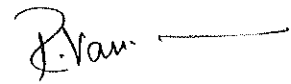
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for and on behalf of the board of directors of  
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CIN No: U28999TN2021PTC148825

  
T H Mahadevan  
Partner  
Membership No.: 224352  
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Iyamperumal Meenakshi Sundaram  
Director  
DIN : 08911146  
Place: Chennai  
Date: May 25, 2023

**IPR EminoX Technologies Private Limited**  
**Statement of changes in equity for the year ended March 31, 2023**  
*(All amounts are in INR thousands, unless otherwise stated)*

**a. Equity share capital**

Balance as at April 01, 2022	10,100.00
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2022	10,100.00
Changes in equity share capital during 2022-23 (refer note 10)	9,900.00
<b>Balance as at 31 March 2023</b>	<b>20,000.00</b>
Balance as at December 24, 2021	-
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2022	-
Changes in equity share capital during 2021-22 (refer note 10)	10,100.00
<b>Balance as at 31 March 2022</b>	<b>10,100.00</b>

**b. Other equity**

Attributable to owners of the  
Company

Reserves and Surplus

	Retained earnings	Total
Balance as at April 01, 2022	(374.41)	(374.41)
<b>Total comprehensive income for the year</b>		
Loss for the year	(1,363.57)	(1,363.57)
Other comprehensive income (net of tax)	-	-
<b>Total comprehensive income for the year</b>	<b>(1,737.98)</b>	<b>(1,737.98)</b>
<b>Balance as at March 31, 2023</b>	<b>(1,737.98)</b>	<b>(1,737.98)</b>
Balance as at December 24, 2021	-	-
<b>Total comprehensive income for the period from December 24, 2021 to March 31, 2022</b>		
Loss for the period	(374.41)	(374.41)
Other comprehensive income (net of tax)	-	-
<b>Total comprehensive income for the period from December 24, 2021 to March 31, 2022</b>	<b>(374.41)</b>	<b>(374.41)</b>
<b>Balance as at March 31, 2022</b>	<b>(374.41)</b>	<b>(374.41)</b>

Significant accounting policies

3

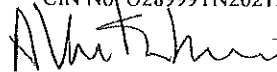
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As per our report of even date attached

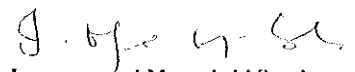
for **BSR & Co. LLP**  
Chartered Accountants  
Firm's Registration Number : 101248W/ W-100022

**T H Mahadevan**  
Partner  
Membership No.: 224352  
Place: Chennai  
Date: May 25, 2023

for and on behalf of the board of directors of  
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CIN No. U28999TN2021PTC148825

  
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DIN : 00277816  
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Place: Chennai  
Date: May 25, 2023

  
**Iyamperumal Meenakshi Sundaram**  
Director  
DIN : 08911146  
Place: Chennai  
Date: May 25, 2023

**IPR Eminox Technologies Private Limited**  
**Statement of cash flows for the year ended March 31, 2023**  
*(All amounts are in INR thousands, unless otherwise stated)*

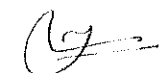
	Note	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>Cash flows from operating activities</b>			
Loss before tax		(1,573.95)	(486.54)
<i>Adjustments for:</i>			
Depreciation and amortisation expense	19	1,690.25	7.84
Unrealised foreign exchange difference	6	(32.60)	-
		83.70	(478.70)
<b>Working capital adjustments:</b>			
Increase in trade receivables	6	(4,773.06)	(605.54)
Increase in other current assets	8	(3,961.00)	(1,924.25)
Increase in trade payables	12	2,205.08	792.73
(Decrease)/Increase in other financial liabilities	13	(503.66)	1,874.86
Increase in other current liabilities	14	2,010.62	340.46
<b>Cash used in operating activities</b>		<b>(4,938.33)</b>	<b>(0.44)</b>
Income taxes paid (net)		-	-
<b>Net cash used in operating activities (a)</b>		<b>(4,938.33)</b>	<b>(0.44)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets	4	(11,595.42)	0.01
<b>Net cash used in investing activities (b)</b>		<b>(11,595.42)</b>	<b>0.01</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of equity shares	9	9,900.00	10,100.00
<b>Net cash from financing activities (c)</b>		<b>9,900.00</b>	<b>10,100.00</b>
<b>Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)</b>		<b>(6,633.75)</b>	<b>10,099.57</b>
Cash and cash equivalents at the beginning of the period		10,099.57	-
<b>Cash and cash equivalents at the end of the year/period</b>		<b>3,465.82</b>	<b>10,099.57</b>
		As at March 31, 2023	As at March 31, 2022
<b>Components of cash and cash equivalents</b>			
Balances with banks in current accounts	7	3,465.82	10,099.57
<b>Total</b>		<b>3,465.82</b>	<b>10,099.57</b>

Significant accounting policies 3

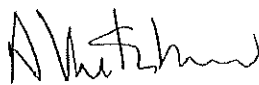
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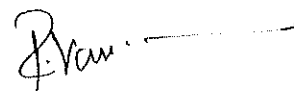
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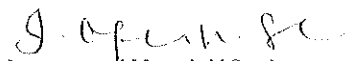
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DIN : 08911146  
Place: Chennai  
Date: May 25, 2023

## IPR Eminox Technologies Private Limited

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

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

### 3 Significant accounting policies

#### A. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

#### B. Financial instruments

##### i) Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

##### ii) Classification and subsequent measurement

###### Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- fair value through other comprehensive income (FVOCI)
- fair value through profit and loss (FVTPL)

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.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at fair value through other comprehensive income if it meets both the following conditions and is not designated as FVTPL:

- a) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

###### Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of Sales of financial Assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

###### Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

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## IPR Eminox Technologies Private Limited

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

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

### 1 Reporting entity

IPR Eminox Technologies Private Limited (the 'Company') was incorporated on December 24, 2021 under the provisions of Companies Act, 2013 and the registered office of the Company is situated at New No.43, Greams Road, Thousand Lights, Chennai, India. The Company is primarily engaged in the business of design and development of vehicle emissions systems, for on-road and off-road applications. The Company is a Joint Venture Company (JVC) between IP Rings Limited, an Indian Company and Eminox Limited, a UK based Company.

### 2 Basis of preparation

#### A. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Company is a Small Company as defined under Section 2(85) of the Companies Act, 2013.

The financial statements have been prepared on accrual and going concern basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013; the Company has ascertained its operating cycle as 12 months for the purpose of current or non current classification of assets and liabilities.

The financial statements were authorised for issue by the Company's Board of Directors on May 25, 2023. Details of the Company's accounting policies are included in Note 3.

#### B. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees in thousands including decimals thereof, unless otherwise stated.

#### C. Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise indicated.

#### D. Use of estimates and judgments

In preparing the financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

##### Judgements, assumptions and estimation uncertainties

The areas involving critical judgements and estimates are as under:

- Note 22B – recognition of deferred tax assets / liabilities: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised

#### E. 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.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 23 – financial instruments.

## IPR Eminox Technologies Private Limited

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

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

### 3 Significant accounting policies (continued)

#### B. Financial instruments (continued)

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

#### Financial assets: Subsequent measurement and gains and losses

*Financial assets at FVTPL* - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

*Financial assets at amortised cost* - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

#### Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, 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 recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

#### iii) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### Financial liabilities:

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

#### iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### C. Property, plant and equipment

##### i) Recognition and initial measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

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.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

##### ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

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## IPR Eminox Technologies Private Limited

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

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

### 3 Significant accounting policies (continued)

#### C. Property, plant and equipment

##### iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment as adopted by the Company is given below:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Furniture and fixtures	10 years	10 years
Office equipments	5 years	5 years
Computers and servers	3-6 years	3-6 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate. Based on technical evaluation, the management believes that its estimates of useful lives as given above best represents the period over which the management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

#### D. Intangible assets

##### i) Recognition and initial measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

##### ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred.

##### iii) Amortization

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in statement of profit and loss.

Asset category	Management estimate of useful life
Software	3-5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

#### E. Impairment

##### i) Impairment of financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past dues for 180 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

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## IPR Eminox Technologies Private Limited

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

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

### 3 Significant accounting policies (continued)

#### E. Impairment (continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

##### i) *Impairment of financial assets*

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 180 days or more past due.

##### Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

##### Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

##### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

##### ii) *Impairment of non-financial assets*

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### F. Employee benefits

##### i) *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

##### ii) *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

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## IPR Eminox Technologies Private Limited

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

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

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### 3 Significant accounting policies (continued)

#### F. Employee benefits (continued)

#### G. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle 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 assessment of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

#### H. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses their significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

##### *As a lessee*

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost. Cost comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred by the lessee, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right of use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

The Company presents right of use assets that do not meet the definition of investment property and the corresponding lease liabilities as a separate line item in the balance sheet.

##### *Short-term leases and leases of low-value assets*

The Company has elected not to recognise right of use assets and lease liabilities for leases of low value assets and short term leases. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

## IPR Eminox Technologies Private Limited

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

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

### 3 Significant accounting policies (continued)

#### I. Revenue recognition

The Company earns revenue primarily from service of designing and development of vehicle emissions systems, for on-road and off-road applications. Arrangements with customers are on a time-and-material basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved in writing by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price").

Revenue from time-and-material based contracts, are recognised over the period of time as the related services are performed. Revenue from fixed-price contracts, are recognised over the period of time as per the input method i.e. costs to total costs incurred is generally used and considered as an appropriate measure to determine work in progress. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

#### *Contract balances:*

(i) **Contract assets:** A contract asset is the right to consideration in exchange for goods or services transferred to the customer for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer.

(ii) **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

#### J. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

#### K. Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

##### i) *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### ii) *Deferred tax*

Deferred tax is recognised 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.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

## IPR Eminox Technologies Private Limited

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

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

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### 3 Significant accounting policies (continued)

#### K. Income tax

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

#### L. Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

#### M. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

#### N. Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

#### O. Earnings per share

##### i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- a. the profit attributable to owners of the Company
- b. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

##### ii) Diluted earnings per share

Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- a. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- b. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

#### P. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, which includes:

##### Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

##### Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

##### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

**IPR Eminox Technologies Private Limited**

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

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

**4 Property, plant and equipment**  
(See accounting policies in note 3(C))

**Reconciliation of carrying amount**

Particulars	Furniture and fixtures	Office equipments	Computers and Servers	Total
<b>Cost</b>				
Balance as at December 24, 2021	-	-	-	-
Additions	-	-	729.92	729.92
Balance as at March 31, 2022	-	-	729.92	729.92
Balance as at April 01, 2022	-	-	729.92	729.92
Additions	2,100.44	177.49	2,483.27	4,761.20
Balance as at March 31, 2023	2,100.44	177.49	3,213.19	5,491.12
<b>Accumulated depreciation</b>				
Balance as at December 24, 2021	-	-	-	-
Depreciation for the period	-	-	5.70	5.70
Balance as at March 31, 2022	-	-	5.70	5.70
Balance as at April 01, 2022	-	-	5.70	5.70
Depreciation for the year	151.98	8.08	611.70	771.76
Accumulated depreciation on disposals	-	-	-	-
Balance as at March 31, 2023	151.98	8.08	617.40	777.46
<b>Carrying amounts</b>				
As at March 31, 2022	-	-	724.22	724.22
As at March 31, 2023	1,948.46	169.41	2,595.79	4,713.66

**4A Capital work-in-progress**

The Company has incurred costs amounting to INR 1600.00 thousand (March 31, 2022 : Nil) in relation to setting up a manufacturing unit.

**4A.1 Ageing of capital work-in-progress**

As at March 31, 2023

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,600.00	-	-	-	1,600.00
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,600.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,600.00</b>

As at March 31, 2022

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note:**

a) There are no assets/projects forming part of Capital work-in-progress where the completion is overdue or where the cost has exceeded compared to their original plans.

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**IPR EminoX Technologies Private Limited**

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

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

**5 Intangible assets**  
(See accounting policies in note 3(D))

Reconciliation of carrying amount

Particulars	Software	Total
<b>Cost</b>		
Balance as at December 24, 2021	-	-
Additions	209.32	209.32
Balance as at March 31, 2022	209.32	209.32
Balance as at April 01, 2022	209.32	209.32
Additions	6,569.40	6,569.40
Balance as at March 31, 2023	6,778.72	6,778.72
<b>Accumulated amortization</b>		
Balance as at December 24, 2021	-	-
Amortization for the period	2.14	2.14
Balance as at March 31, 2022	2.14	2.14
Balance as at April 01, 2022	2.14	2.14
Amortization for the year	918.49	918.49
Balance as at March 31, 2023	920.63	920.63
<b>Carrying amounts (net)</b>		
As at March 31, 2022	207.18	207.18
As at March 31, 2023	5,858.09	5,858.09

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**IPR Eminox Technologies Private Limited**

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

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

	As at March 31, 2023	As at March 31, 2022
<b>6 Trade receivables</b>		
(See accounting policies in note 3(B) and 3(E))		
Trade receivables considered good - secured	5,411.20	605.54
Trade receivables considered good - unsecured	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	<u>5,411.20</u>	<u>605.54</u>
Less: Loss allowance	-	-
<b>Net trade receivables</b>	<u>5,411.20</u>	<u>605.54</u>
<b>Of the above, trade receivables from related parties are as below:</b>		
Trade receivables due from related parties	5,189.20	605.54
Loss allowance	-	-
<b>Net trade receivables</b>	<u>5,189.20</u>	<u>605.54</u>

The Company's exposure to credit and currency risks, and loss allowances relating to trade receivables are disclosed in note 23.

**Ageing of trade receivables**

	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	
<b>As at March 31, 2023</b>						
Undisputed Trade Receivables						
– considered good	5,411.20	-	-	-	-	5,411.20
– which have significant increase in credit risk	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
– considered good	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-
<b>Total</b>	<u>5,411.20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,411.20</u>

	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	
<b>As at March 31, 2022</b>						
Undisputed Trade Receivables						
– considered good	-	605.54	-	-	-	605.54
– which have significant increase in credit risk	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-
Disputed Trade receivables						
– considered good	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>605.54</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>605.54</u>

	As at March 31, 2023	As at March 31, 2022
<b>7 Cash and cash equivalents</b>		
(See accounting policies in note 3(N))		
Balances with banks in current accounts	3,465.82	10,099.57
	<u>3,465.82</u>	<u>10,099.57</u>
<b>8 Other current assets</b>		
<i>Unsecured, considered good</i>		
Balance with government authorities	3,553.81	493.31
Advance to vendors	-	1,600.00
Prepaid expenses	900.50	-
	<u>4,454.31</u>	<u>2,093.31</u>

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**IPR Eminox Technologies Private Limited**

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

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

	As at March 31, 2023	As at March 31, 2022
<b>9 Equity share capital</b>		
<b>Authorized</b>		
2,000,000 equity shares (March 31, 2022: 2,000,000 equity shares) of INR 10/- each	20,000.00	20,000.00
	<u>20,000.00</u>	<u>20,000.00</u>
<b>Issued, Subscribed and Fully paid up</b>		
2,000,000 equity shares (March 31, 2022: 1,010,000 equity shares) of INR 10/- each	20,000.00	10,100.00
	<u>20,000.00</u>	<u>10,100.00</u>

**a. Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period**

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the period	1,010,000	10,100.00	-	-
Add: Shares issued for cash	990,000	9,900.00	1,010,000	10,100.00
At the end of the period	<u>2,000,000</u>	<u>20,000.00</u>	<u>1,010,000</u>	<u>10,100.00</u>

**b. Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to their forfeiture.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all the preferential amounts, in proportion to the number of equity shares held.

**c. Shares held by promoters / holding company/ultimate holding company and / or their subsidiaries / associates**

The Company does not have a holding company and promoters and hence the disclosure of shares held by them is not applicable.

**d. Details of shareholders holding more than 5% of aggregate shares, of INR 10/- each fully paid up, in the Company**

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of total equity shares	No. of shares	% of total equity shares
<b>Equity shares of INR 10/- each fully paid up</b>				
Eminox Limited	1,000,000	50%	505,000	50%
IP Rings Limited	1,000,000	50%	505,000	50%
	<u>2,000,000</u>	<u>100%</u>	<u>1,010,000</u>	<u>100%</u>

e. There are no bonus shares or buy-back of shares or shares issued for consideration other than cash by the Company since its incorporation.

	As at March 31, 2023	As at March 31, 2022
<b>10 Other equity</b>		
<b>Retained earnings</b>		
Opening balance	(374.41)	-
Loss for the year/period	(1,363.57)	(374.41)
Closing balance	<u>(1,737.98)</u>	<u>(374.41)</u>

*RB*

**IPR Eminox Technologies Private Limited**

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

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

**11 Capital management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company manages its capital so as to safeguard their ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on the management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor and creditor confidence.

The Company's net debt to adjusted equity ratio is as follows:

	As at March 31, 2023	As at March 31, 2022
Total Liabilities	7,563.57	4,116.36
Less: cash and cash equivalents and other bank balances	(3,465.82)	(10,099.57)
<b>Adjusted Net Debt</b>	<b>4,097.75</b>	<b>(5,983.21)</b>
Total Equity	18,262.02	9,725.59
<b>Adjusted Equity</b>	<b>18,262.02</b>	<b>9,725.59</b>
<b>Net debt to adjusted equity ratio</b>	<b>0.22</b>	<b>(0.62)</b>

**12 Trade payables**

(See accounting policies in note 3B)

Total outstanding dues of micro and small enterprises (refer note 25)

Total outstanding dues of creditors other than micro enterprises and small enterprises

-	-
2,997.81	792.73
<b>2,997.81</b>	<b>792.73</b>

Of the above, trade payables amounts due to related parties are as below:

Trade Payables due to related parties

672.00	-
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The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 23.

**Ageing of trade payables**

Particulars	Outstanding for following periods from due date of payment as at 31 March 2023					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME	-	-	-	-	-	-
ii. Others	-	2,727.81	-	-	-	2,727.81
iii. Disputed dues-MSME	-	-	-	-	-	-
iv. Disputed dues-Others	-	-	-	-	-	-
	-	<b>2,727.81</b>	-	-	-	<b>2,727.81</b>
Accrued expenses						270.00
<b>Trade payables</b>						<b>2,997.81</b>

Particulars	Outstanding for following periods from due date of payment as at 31 March 2022					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. MSME	-	-	-	-	-	-
ii. Others	-	522.73	-	-	-	522.73
iii. Disputed dues-MSME	-	-	-	-	-	-
iv. Disputed dues-Others	-	-	-	-	-	-
	-	<b>522.73</b>	-	-	-	<b>522.73</b>
Accrued expenses						270.00
<b>Trade payables</b>						<b>792.73</b>

	As at March 31, 2023	As at March 31, 2022
--	-------------------------	-------------------------

**13 Other financial liabilities**

Payable towards purchase of property, plant and equipment and intangible assets

Reimbursements payable, net

843.48	1,108.31
1,371.21	1,874.86
<b>2,214.69</b>	<b>2,983.17</b>

**14 Other current liabilities**

Statutory dues payable

Employee benefits payable

1,487.65	292.46
863.42	48.00
<b>2,351.07</b>	<b>340.46</b>

*AB*

**IPR Eminox Technologies Private Limited**

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

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

	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>15 Revenue from operations</b> (See accounting policies in note 3(I))		
Revenue from sale of finished goods	1,982.18	-
Revenue from sale of services	14,098.22	605.54
	<u>16,080.40</u>	<u>605.54</u>
<b>Disaggregation of revenue from contracts with customers:</b>		
<b>Primary geographical markets</b>		
United Kingdom	14,098.22	605.54
India	1,982.18	-
<b>Total revenue from contracts with customers</b>	<u>16,080.40</u>	<u>605.54</u>
<b>Timing of revenue recognition</b>		
Products transferred at a point in time	1,982.18	-
Services transferred over time	14,098.22	605.54
<b>Total revenue from contracts with customers</b>	<u>16,080.40</u>	<u>605.54</u>
<b>Contract balances</b> The following disclosure provide information about receivables, contract assets and liabilities from contract with customers (as applicable):		
	As at March 31, 2023	As at March 31, 2022
Receivables, which are included in 'Trade receivables' (Refer note 7)	5,411.20	605.54
	<u>5,411.20</u>	<u>605.54</u>
	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>16 Other income</b>		
Reimbursement income, net	-	1,503.72
	<u>-</u>	<u>1,503.72</u>
<b>17 Cost of Materials consumed</b>		
Inventory of materials at the beginning of the year	-	-
Add: Purchases during the year	1,762.48	-
Less : Inventory of materials at end of year	-	-
	<u>1,762.48</u>	<u>-</u>
<b>18 Employee benefits expense</b> (See accounting policies in note 3(F))		
Salaries, wages and bonus	6,088.76	500.72
Contribution to provident and other funds	300.50	20.72
Staff welfare expenses	11.12	60.36
	<u>6,400.38</u>	<u>581.80</u>
<b>19 Depreciation and amortization expense</b> (See accounting policies in note 3(C) and 3(D))		
Depreciation of property, plant and equipment (Refer note 4)	771.76	5.70
Amortization of intangible assets (Refer note 5)	918.49	2.14
	<u>1,690.25</u>	<u>7.84</u>

AB

**IPR EminoX Technologies Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
*(All amounts are in INR thousands, unless otherwise stated)*

	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>20 Other expenses</b>		
Rent	1,710.00	427.50
Rates and taxes	23.65	-
Traveling and conveyance	1,459.09	0.65
Legal and professional fees	2,872.58	600.00
Payment to auditors (refer note 21.1)	300.00	300.00
Reimbursement of pre-operative expenses (Also, refer note 28)	-	677.58
Net loss on foreign currency transactions	10.23	-
Communication expenses	246.75	-
Miscellaneous expenses	1,178.94	0.43
	<u>7,801.24</u>	<u>2,006.16</u>
<b>20.1 Payments to auditors, excluding taxes</b>		
Statutory audit	280.00	280.00
Reimbursement of expenses	20.00	20.00
<b>Total</b>	<u>300.00</u>	<u>300.00</u>

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**IPR Eminox Technologies Private Limited**

Notes to financial statements for the period ended March 31, 2023

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

	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>21 Income tax</b>		
<b>A. Amount recognised in statement of profit and loss</b>		
Current tax expense (A)		
Current year/period	-	-
Deferred tax expense (B)		
Attributable to:		
Origination and reversal of temporary differences	210.38	112.13
<b>Tax benefit (A)+(B)</b>	<b>210.38</b>	<b>112.13</b>

**B. Reconciliation of effective tax rate**

	For the year ended March 31, 2023		For the period from December 24, 2021 to March 31, 2022	
Loss before tax		1,573.95		486.54
Tax using the Company's domestic tax rate	25.17%	396.13	25.17%	122.45
Effect of:				
Carried forward losses on which no deferred tax asset is recogn	0.00%	-	-2.12%	(10.32)
Recognition of previously unrecognised tax losses	0.66%	10.32	0.00%	-
Others	-12.46%	(196.08)	0.00%	-
<b>Effective tax rate</b>	<b>13.37%</b>	<b>210.38</b>	<b>7.12%</b>	<b>112.13</b>

**C. Recognised deferred tax assets and liabilities**

	As at March 31, 2023		
	Deferred tax assets	Deferred tax liabilities	Net deferred tax assets
Property, plant and equipment and intangibles assets	-	(520.08)	(520.08)
Pre-operative expenses	102.32	-	102.32
Carry forward losses	740.27	-	740.27
<b>Net deferred tax (assets) liabilities</b>	<b>842.59</b>	<b>(520.08)</b>	<b>322.51</b>

	As at March 31, 2022		
	Deferred tax assets	Deferred tax liabilities	Net deferred tax assets
Property, plant and equipment and intangibles assets	-	(41.35)	(41.35)
Pre-operative expenses	153.48	-	153.48
Carry forward losses	-	-	-
<b>Net deferred tax (assets) liabilities</b>	<b>153.48</b>	<b>(41.35)</b>	<b>112.13</b>

**Movement in temporary differences**

	Balance as at March 31, 2022	Recognised in		Balance as at March 31, 2023
		Statement of profit and loss	OCI	
Property, plant and equipment and intangibles assets	(41.35)	(478.73)	-	(520.08)
Pre-operative expenses	153.48	(51.16)	-	102.32
Carry forward losses	-	740.27	-	740.27
	<b>112.13</b>	<b>210.38</b>	<b>-</b>	<b>322.51</b>

	Balance as at December 24, 2021	Recognised in		Balance as at March 31, 2022
		Statement of profit and loss	OCI	
Property, plant and equipment and intangibles assets	-	(41.35)	-	(41.35)
Pre-operative expenses	-	153.48	-	153.48
	<b>-</b>	<b>112.13</b>	<b>-</b>	<b>112.13</b>

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## IPR Eminox Technologies Private Limited

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

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

### 22 Financial instruments - Fair value and risk management

#### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	As at March 31, 2023		
		FVTPL	FVOCI	Amortised cost
<b>Financial assets not measured at fair value</b>				
Trade receivables	6	-	-	5,411.20
Cash and cash equivalents	7	-	-	3,465.82
		-	-	8,877.02
<b>Financial liabilities not measured at fair value</b>				
Trade payables	12	-	-	2,997.81
Other financial liabilities	13	-	-	2,214.69
		-	-	5,212.50
		As at March 31, 2022		
	Note	FVTPL	FVOCI	Amortised cost
<b>Financial assets not measured at fair value</b>				
Trade receivables	6	-	-	605.54
Cash and cash equivalents	7	-	-	10,099.57
		-	-	10,705.11
<b>Financial liabilities not measured at fair value</b>				
Trade payables	12	-	-	792.73
Other financial liabilities	13	-	-	2,983.17
		-	-	3,775.91

The Company has not disclosed fair values of financial instruments such as trade receivables, cash and cash equivalents, trade payables and other financial liabilities since their carrying amounts are reasonable approximates of fair values.

#### B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (B)(ii));
- liquidity risk (see (B)(iii));
- market risk (see (B)(iv));

#### i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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## IPR EminoX Technologies Private Limited

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

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

### 22 Financial instruments - Fair value and risk management (continued)

#### B. Financial risk management (continued)

##### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade receivables and cash and cash equivalents. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk are as follows:

	As at March 31, 2023	As at March 31, 2022
Trade receivables	5,411.20	605.54
Cash and cash equivalents	3,465.82	10,099.57
	<u>8,877.02</u>	<u>10,705.11</u>

##### Trade receivables

The Company's credit risk arising from trade receivables as at the reporting date is limited as the Company has carried out transactions predominantly with its related parties. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables. Impairment on receivables from the related parties have been measured on lifetime expected credit loss basis, and the allowance for expected credit loss is immaterial.

##### Primary geographical markets

United Kingdom	5,189.20	605.54
India	222.00	-
Total	<u>5,411.20</u>	<u>605.54</u>

##### Cash and bank balances

The Company holds cash and cash equivalents with credit worthy banks as at the reporting dates which has been measured on the 12-month expected loss basis. The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good with low credit risk.

##### iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

##### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, including contractual interest.

As at 31 March 2023	Carrying amount	Payable within 1 year	More than 1 year	Total
<b>Non-derivative financial liabilities</b>				
Trade payables (refer note 12)	2,997.81	2,997.81	-	2,997.81
Other financial liabilities (refer note 13)				
Payable towards purchase of property, plant and equipment and intangible assets	843.48	843.48	-	843.48
Reimbursements payable, net	1,371.21	1,371.21	-	1,371.21
	<u>5,212.50</u>	<u>5,212.50</u>	-	<u>5,212.50</u>
<b>As at 31 March 2022</b>				
<b>Non-derivative financial liabilities</b>				
Trade payables (refer note 12)	792.73	792.73	-	792.73
Other financial liabilities (refer note 13)				
Payable towards purchase of property, plant and equipment and intangible assets	1,108.31	1,108.31	-	1,108.31
Reimbursements payable, net	1,874.86	1,874.86	-	1,874.86
	<u>3,775.90</u>	<u>3,775.90</u>	-	<u>3,775.90</u>

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**IPR Eminox Technologies Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
*(All amounts are in INR thousands, unless otherwise stated)*

**22 Financial instruments - Fair value and risk management (continued)**

**B. Financial risk management (continued)**

**iv. Market risk**

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk related to foreign exchange rate risk (currency risk).

*Currency risk*

Foreign currency risk arise in GBP and USD denominated transactions from monetary receivables and payables which gives rise to exchange rate fluctuation risk.

	31-Mar-23		31-Mar-22	
	GBP	USD	GBP	USD
Trade Receivables	5,189.20	-	605.54	-
Trade Payables	-	57.47	-	-

	Average Rate		Year - end spot rate	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
GBP	100.32	99.88	101.47	99.15
USD	78.84	75.32	82.15	75.51

**Sensitivity analysis**

A reasonably possible strengthening / (weakening) of the INR against GBP and USD at March 31, 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or (Loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>As at 31 March 2023</b>				
GBP (5% movement)	(259.46)	259.46	(194.16)	194.16
USD (5% movement)	2.87	(2.87)	2.15	(2.15)
<b>As at 31 March 2022</b>				
GBP (5% movement)	(30.28)	30.28	(22.66)	22.66
USD (5% movement)	-	-	-	-

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**IPR Eminox Technologies Private Limited**

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

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

	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>23 Earnings per share ("EPS")</b>		
Loss attributable to the owners of the company (INR)	(1,363.57)	(374.41)
Weighted average number of equity share outstanding during the year/period (Nos.)	1,660,959	101,837
Basic earnings per share (INR)	(0.82)	(3.68)
Diluted earnings per share (INR)	(0.82)	(3.68)
Nominal value of shares (INR)	10.00	10.00

**24 Dues to micro and small suppliers**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period		
- Principal	-	-
- Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

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**IPR Eminox Technologies Private Limited**

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

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

**25 Financial ratios**

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Remarks
Current ratio	Total current assets	Total current liabilities	1.76	3.11	Refer note (b)
Debt-equity ratio	Total Debt	Shareholder's equity	-	-	
Debt service coverage ratio	Earnings available for debt service	Debt service	-	-	
Return on equity ratio	Net profit after tax	Average shareholder's equity	(0.14)	(0.07)	Refer note (a)
Inventory turnover ratio	Cost of goods sold	Average inventory	-	-	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	5.94	2.00	Refer note (a)
Trade payables turnover ratio	Capital expenditure + other expenses	Average trade payables (including capital creditors)	9.96	3.10	Refer note (a)
Net capital turnover ratio	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	5.58	0.14	Refer note (a)
Net profit ratio	Net profit after tax	Total revenue from operations	(0.08)	(0.62)	Refer note (a)
Return on capital employed ratio	Profit before tax and finance costs	Capital employed = Net worth + Total Debt + Deferred Tax Liability / (Asset)	(0.09)	(0.05)	Refer note (a)
Return on investment ratio	Income generated from invested funds	Average invested funds in treasury investments	-	-	

**Note:**

a) The movement is on account of the increase in business operations and the consequent increase in revenue from operations

b) The decrease in primarily on account of incurrence of capital expenditure leading to decrease in current asset balance

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**IPR EminoX Technologies Private Limited**

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

*(All amounts are in INR thousands, unless otherwise stated)***26 Additional regulatory information**

- (a) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- (b) The Company has not revalued its property, plant and equipment and intangible assets during current or previous year.
- (c) The Company does not have any loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are (a) repayable on demand or (b) without specifying any terms or period of repayment.
- (d) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (e) The Company does not have any borrowings from banks or financial institutions that are secured against current assets.
- (f) The Company has not been declared as a willful defaulter by any bank or financial institution or other lenders.
- (g) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (h) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (i) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (j) The Company has not entered into any scheme of arrangement as per sections 230 to 237 of the Companies Act, 2013.
- (k) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall a) 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 b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (l) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (m) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (n) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**27 Related party disclosures****a. Names of related parties and nature of relationship are as follows:**

Nature of relationship	Name of the related party
Key managerial personnel	Venkataramani Anantharamakrishnan - Director Iyamperumal Meenakshi Sundaram - Director David John Phillips - Director Venkataraman - Director Mark Runciman Charles - Director (upto 31 March 2023)
Entities having significant influence on / joint control of the Company	EminoX Limited IP Rings Limited
Entities related to entities having significant influence on / joint control of the Company	George Oakes Limited

**b. Details of related party transactions**

	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>George Oakes Limited</b>		
Rent expenses	1,710.00	427.50
<b>EminoX Limited</b>		
Sale of services	14,098.22	605.54
Purchase of materials	1,041.04	-

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**IPR Eminox Technologies Private Limited**

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

*(All amounts are in INR thousands, unless otherwise stated)***27 Related party disclosures (continued)****b. Details of related party transactions (continued)**

	For the year ended March 31, 2023	For the period from December 24, 2021 to March 31, 2022
<b>IP Rings Limited</b>		
Legal and professional fees	2,400.00	600.00
Sale of goods	1,920.00	-
Reimbursement income, net #	-	(1,503.72)
Reimbursement of pre-operative expenses*	-	677.58
Reimbursement of expenses	1,371.21	1,913.72
<b>Balances as at the period end</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>George Oakes Limited</b>		
Trade payable	1,846.80	461.70
<b>Eminox Limited</b>		
Trade receivables	5,189.20	605.54
<b>IP Rings Limited</b>		
Reimbursements payable, net	1,371.21	1,874.87
Trade Payables	672.00	-

# Represents income generated from operations carried out by IP Rings Limited on behalf of the Company prior to obtaining registration under the Goods and Services Tax laws.

\* These are expenditure incurred for setting up of the operation of the Company and are in the nature of rates and taxes, travel expenses etc.

**28 Leases**

The Company incurred INR 1,710,000 (March 31, 2022 : INR 427,500) towards expenses relating to short-term leases.

**29 Contingent liabilities and commitments**

There are no outstanding capital commitments or contingent liabilities as on March 31, 2023 (March 31, 2022: Nil).

**30 Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

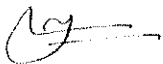
The Company is engaged in only one business i.e. designing and development of vehicle emissions systems. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by the Ind AS 108.

As per our report of even date attached

for **BSR & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022



**T H Mahadevan**

Partner

Membership No.: 224352

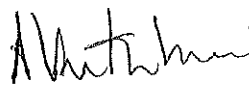
Place: Chennai

Date: May 25, 2023

for and on behalf of the board of directors of

**IPR Eminox Technologies Private Limited**

CIN No: U28999TN2021PTC148825



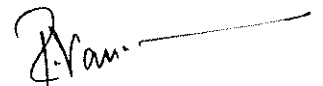
**A Venkataramani**

Director

DIN : 00277816

Place: Chennai

Date: May 25, 2023



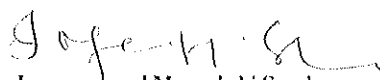
**R Venkataraman**

Director

DIN : 09447798

Place: Chennai

Date: May 25, 2023



**Iyamperumal Meenakshi Sundaram**

Director

DIN : 08911146

Place: Chennai

Date: May 25, 2023

