

Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
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Independent Auditor's Report

To the Members of GSTP(HFS) Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of GSTP(HFS) Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



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Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our



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conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

13. The financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor, Sanjay Modi & Co., who have expressed an unmodified opinion on those financial statements vide their audit report dated 02 September 2023.
14. The comparative financial information for the year ended 31 March 2023 and the transition date opening balance sheet as at 01 April 2022 prepared in accordance with Ind AS included in these financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2023 and 31 March 2022 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the predecessor auditor whose reports dated 02 September 2023 and 22 August 2022 respectively expressed a unmodified opinion on the financial statements for the year ended 31 March 2023 and 31 March 2022, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

15. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;



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Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- c) The financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(d) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(e) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2024.



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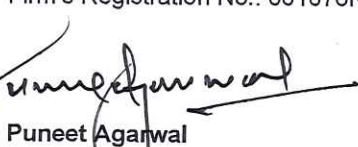
- vi. As stated in Note 47 to the financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature for accounting software used for maintenance of all accounting records by the Company was not enabled for the period 1 April 2023 to 13 September 2023.

For Walker ChandioK & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Puneet Agarwal
Partner

Membership No.: 064824

UDIN: 24064824BKGUYN7574

Place: Kolkata

Date: 23rd August 2024



Walker Chandio & Co LLP

Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 34 to the financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets). Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) As disclosed in Note 44 to the financial statements, the Company has been sanctioned a working capital limit in excess of INR 500 lakhs by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods which were/were not subject to audit/review, except for the following:

Name of the Bank / financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Information disclosed as per return	Information as per books of accounts	Difference
All Banks	INR. 1,000 Lakhs	Inventory, Trade receivables and Advance to suppliers	March 2024	INR. 2,545.30 Lakh	INR. 2,582.14 Lakh	INR. (38.84) Lakh



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Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

Name of the Bank / financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Information disclosed as per return	Information as per books of accounts	Difference
All Banks	INR 1,000 Lakhs	Inventory, Trade receivables and Advance to suppliers	December 2023	INR 2,557.62 Lakh	INR 2,505.72 Lakh	INR 51.90 Lakh
All Banks	INR 1,000 Lakhs	Inventory, Trade receivables and Advance to suppliers	September 2023	INR 2,180.86 Lakh	INR 2,593.00 Lakh	INR (412.14) Lakh
All Banks	INR 1,000 Lakhs	Inventory, Trade receivables and Advance to suppliers	June 2023	INR 1,960.14 Lakh	INR 2,292.18 Lakh	INR (332.04) Lakh

- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, reporting under clause (iii) of the order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, duty of customs, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.



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Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.



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Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013


Puneet Agarwal

Partner

Membership No.: 064824

UDIN: 24064824BKGUYN7574



Place: Kolkata

Date: 23rd August 2024

Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of GSTP(HFS) Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Chartered Accountants



Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of GSTP(HFS) Private Limited on the financial statements for the year ended 31 March 2024 (Cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

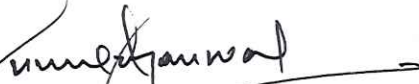
Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI')

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Puneet Agarwal

Partner

Membership No.: 064824

UDIN: 24064824BKGUYN7574



Place: Kolkata

Date: 23rd August 2024

GSTP (HFS) Private Limited
Balance Sheet as at 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
ASSETS				
Non-current assets				
Property, plant and equipment	6.(a)	1,697.60	1,251.43	1,132.58
Right of use assets	6.(b)	209.00	235.68	262.36
Deferred Tax Asset (Net)	33.(d)		2.81	15.30
Financial assets				
Other financial assets	7	320.82	510.70	520.84
Other non-current assets	13 (b)	3.85	4.53	41.17
Total non-current assets		2,231.27	2,005.15	1,972.25
Current assets				
Inventories	8	1,360.54	1,431.73	395.42
Financial assets				
Trade receivables	9	1,876.00	70.96	990.97
Cash and cash equivalents	10	0.39	7.25	1.53
Bank balances other than cash and cash equivalent	11	825.42	555.43	312.48
Loans	12	2.14	0.61	0.11
Other current assets	13 (a)	124.36	86.73	45.47
Total current assets		4,188.85	2,152.71	1,745.98
Total assets		6,420.12	4,157.86	3,718.23
EQUITY AND LIABILITIES				
Equity				
Equity share capital	14	178.00	178.00	128.00
Other equity	15	1,636.06	447.11	224.79
Total equity		1,814.06	625.11	352.79
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	678.60	829.54	960.31
Lease Liabilities	17	206.72	223.07	236.48
Provisions		46.95	19.57	7.98
Deferred Tax Liabilities (Net)	33.(d)	1.04	-	-
Total non-current liabilities		933.31	1,072.18	1,204.77
Current liabilities				
Financial liabilities				
Borrowings	19	2,637.89	1,563.07	1,168.95
Lease Liabilities	17	16.36	13.41	10.27
Trade payables				
i) total outstanding dues of micro enterprises and small enterprises	20	23.04	18.58	7.30
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20	513.73	363.42	756.18
Other financial liabilities	21	132.61	117.89	123.38
Other current liabilities	22	335.33	355.87	86.45
Provisions	23	0.56	0.14	0.04
Current tax liabilities (net)	24	13.23	28.19	8.10
Total current liabilities		3,672.75	2,460.57	2,160.67
Total equity and liabilities		6,420.12	4,157.86	3,718.23

See accompanying notes to the financial statements 1-48

The accompanying notes are an integral part of the financial statements.

As per our report of even date
Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Puneet Agarwal
Puneet Agarwal
Partner
Membership No.: 064824

Place: Kolkata
Date: 23 August 2024



For and on behalf of the Board of Directors
GSTP (HFS) Private Limited
CIN: U29304WB2019PTC234427

Shivika Dhanuka

Aloke Ranjan Biswas

Aloke Ranjan Biswas
Director
DIN: 08428269

Place: Kolkata
Date: 23 August 2024

Shivika Dhanuka
Director
DIN: 07203053

Place: Kolkata
Date: 23 August 2024

GSTP (HFS) Private Limited
Statement of Profit and Loss for the year ended 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

	Notes	Year ended 31-Mar-24	Year ended 31-Mar-23
Income			
Revenue from operations	25	10,206.22	10,519.35
Other income	26	777.47	434.97
Total income		10,983.69	10,954.32
Expenses			
Cost of material consumed	27	6,872.62	9,655.63
Changes in inventories of finished goods and work-in-progress	28	199.50	(912.58)
Employee benefits expense	29	276.21	208.54
Finance costs	30	323.74	236.59
Depreciation and amortization expense	31	213.27	122.52
Other expenses	32	1,662.32	1,455.34
Total expenses		9,547.66	10,766.04
Profit before tax		1,436.03	188.28
Income Tax expense	33		
Current tax		(249.01)	(40.00)
Adjustment of tax relating to earlier periods		5.64	0.15
Deferred tax		(3.83)	(12.63)
Total income tax expense		(247.20)	(52.48)
Profit After Tax		1,188.83	135.80
Other comprehensive income			
<i>Items not to be reclassified to profit or loss</i>			
Re-measurement gains/ (losses) on defined benefit plans	37	0.14	(0.82)
Income tax effect on these items		(0.02)	0.14
		0.12	(0.68)
Other comprehensive income for the year, net of tax		0.12	(0.68)
Total comprehensive income for the year, net of tax		1,188.95	135.12
Earnings per share			
Basic earnings per share (INR)	36	66.79	10.51
Diluted earnings per share (INR)	36	66.79	10.51
See accompanying notes to the financial statements	1-48		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
GSTP (HFS) Private Limited
CIN: U29304WB2019PTC234427

Puneet Agarwal
Partner
Membership No: 064824

Place: Kolkata
Date: 23 August 2024



Aloke Ranjan Biswas **Shivika Dhanuka**

Director
DIN: 08428269

Director
DIN: 07203053

Place: Kolkata
Date: 23 August 2024

Place: Kolkata
Date: 23 August 2024

GSTP (HFS) Private Limited
Statement of changes in equity for the year ended 31 March 2024
(Amount in INR Lakhs, unless otherwise stated)

(A) Equity share capital (Also Refer Note 14)

	Subscribed and Fully Paid Up		Total Equity Share Capital
	No. of shares	Amount	Amount
Balance as at 1 April 2022	1,280,000	128.00	128.00
Changes in equity share capital during the current year (Note 14)	500,000	50.00	50.00
Balance as at 31 March 2023	1,780,000	178.00	178.00
Changes in equity share capital during the current year	-	-	-
Balance as at 31 March 2024	1,780,000	178.00	178.00

(B) Other equity (Also Refer Note 15)

Particulars	Reserve and Surplus		Equity Component of Compound Financial Instrument (Refer Note 3)	Debenture Redemption Reserve (Refer Note 4)	Total
	Securities Premium (Refer Note 1)	Retained Earnings (Refer Note 2)			
Balance as at 1 April 2022	180.00	(21.22)	66.01	-	224.79
Additions during the year	100.00	-	-	-	100.00
Profit for the year	-	135.80	-	-	135.80
Other comprehensive income	-	(0.68)	-	-	(0.68)
Total Comprehensive Income	-	135.12	-	-	135.12
Dividends	-	(12.80)	-	-	(12.80)
Balance as at 31st March 2023	280.00	101.10	66.01	-	447.11
Additions during the year	-	-	-	34.00	34.00
Profit for the year	-	1,188.83	-	-	1,188.83
Other comprehensive income	-	0.12	-	-	0.12
Total Comprehensive Income	-	1,188.95	-	-	1,188.95
Dividends	-	-	-	-	-
Transfer to Debenture Redemption Reserve	-	(34.00)	-	-	(34.00)
Balance as at 31 March 2024	280.00	1,256.05	66.01	34.00	1,636.06

Notes :

- Securities Premium :** Premium received on issue of shares are recognised in securities premium.
- Retained Earnings :** Retained earnings are profits that the Company has earned till date and re-measurement gains of defined benefit plans less dividends or other distributions paid to the shareholders.
- Equity Component of Compound Financial Instrument:** It represents the equity component of compound financial instrument (6% Unsecured Redeemable Debentures) issued by the company to its two shareholders during the financial year 2019-20. (Refer Note 5.03(h)(i)).
- Debenture Redemption Reserve:** Pursuant to Section 71(4) of the Companies Act, 2013 along with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, the company has created Debentures redemption reserve @ 10% of the total redeemable value of the debentures.

See accompanying notes to the financial statements

As per our report of even date
Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Puneet Agarwal
Partner
Membership No. 064824

Place: Kolkata
Date: 23 August 2024



For and on behalf of the Board of Directors of
GSTP (HFS) Private Limited
CIN: U29304WB2019PTC234427

Aloke Ranjan Biswas
Director
DIN: 08428269

Place: Kolkata
Date: 23 August 2024

Shivika Dhanuka
Director
DIN: 07203053

Place: Kolkata
Date: 23 August 2024

GSTP (HFS) Private Limited
Statement of cash flows for the year ended 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

	Year ended 31-Mar-24	Year ended 31-Mar-23
Cash flow from operating activities		
Profit before tax	1,436.03	188.28
Profit before income tax	1,436.03	188.28
Adjustments for:		
Depreciation and amortization expenses	213.27	122.52
Finance cost	323.74	236.59
Interest income	(58.86)	(40.53)
Operating profit before working capital changes	1,914.18	506.86
Changes in working capital		
(Decrease) in trade payables	154.77	(381.48)
Increase/ (Decrease) in other financial liabilities	37.72	(11.30)
Increase in provisions	27.94	10.87
(Decrease) / Increase in other current liabilities	(20.54)	269.42
Decrease / (Increase) in inventories	71.19	(1,036.31)
(Increase) / Decrease in trade receivables	(1,805.04)	920.01
(Increase) in other financial assets	(4.73)	(0.90)
(Increase) in other current assets	(37.63)	(41.26)
Cash generated from operations	337.86	235.91
Income tax paid	(258.33)	(19.76)
Net cash inflows from operating activities (A)	79.53	216.15
Cash flow from investing activities		
Payment for property, plant and equipment and intangible assets	(633.98)	(160.60)
Advance or loans made to employees (net)	(1.53)	(0.50)
Interest received	78.85	13.62
Investment in Fixed Deposits (net)	(95.37)	(205.00)
Net cash used in investing activities (B)	(652.03)	(352.48)
Cash flow from financing activities		
Proceeds from issuance of equity share capital	-	150.00
Proceeds from Long term borrowings	649.09	6.90
Repayment of Long term borrowings	(739.44)	(95.26)
Proceeds from short term borrowings (net)	1,014.23	351.71
Interest paid	(321.75)	(224.02)
Dividend paid	-	(12.80)
Principal paid on lease liabilities	(13.40)	(10.27)
Interest paid on lease liabilities	(23.09)	(24.21)
Net cash inflows from financing activities (C)	565.64	142.05
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(6.86)	5.72
Cash and cash equivalents at the beginning of the year	7.25	1.53
Cash and cash equivalents at the end of the year	0.39	7.25
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents comprise (Refer note 10)		
Balances with banks:		
On current accounts	0.12	5.04
Cash on hand	0.27	2.21
Total cash and cash equivalents at end of the year	0.39	7.25

See accompanying notes to the financial statements

1-48

The accompanying notes are an integral part of the financial statements.

As per our report of even date
Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Puneet Agarwal
Partner
Membership No: 064824

Place: Kolkata
Date: 23 August 2024



For and on behalf of the Board of Directors of
GSTP (HFS) Private Limited
CIN: U29304WB2019PTC234427

Aloke Ranjan Biswas
Director
DIN: 08428269

Place: Kolkata
Date: 23 August 2024

Shivika Dhanuka
Director
DIN: 07203053

Place: Kolkata
Date: 23 August 2024

GSTP (HFS) Private Limited
Notes forming part of the Financial Statements for the year ended 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

1 General Information

GSTP (HFS) Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on 19th October 2019, under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at 3rd Floor, EP & GP Y9, Sector V, Salt Lake, Kolkata, West Bengal, India, 700091. The Company is primarily engaged in the business of manufacturing and selling seamless tubes & pipes.

The Board of Directors approved the financial statements for the year ended 31 March 2024 and authorised for issue on August 23, 2024.

2 Basis of preparation and material accounting policy information

2.01 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2023 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These financial statements for the year ended 31 March 2024 are the first set of financial statements prepared in accordance with Ind AS. Refer note 5 for an explanation of how the Company has adopted Ind AS.

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments).

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

(c) Classification between Current and Non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
 - Held primarily for the purpose of trading
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
 - It is held primarily for the purpose of trading
 - It is due to be settled within twelve months after the reporting period, or
 - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

2.02 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2022 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful Life
Factory Building	30 years
Plant & Machinery	15 years
Electrical Installation and Equipment	10 years
Furnace	30 years
Plugs & Dies	3 years
Computer and data Processing Unit	3 years
Furniture and Fixture	10 years
Office Equipment	5 years
Motor Car	8 years

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the asset.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively.

2.03 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.



GSTP (HFS) PRIVATE LIMITED
[Signature]
Director

GSTP (HFS) PRIVATE LIMITED
Shivika Dhanuka
Director

2.04 Foreign Currency Transactions

(a) Functional and presentation currency

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

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

2.05 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.06 Revenue from contract with customer

The Company manufactures and sells a range of seamless tubes & pipes. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products.

The Company has objective evidence that all criterion for acceptance has been satisfied.



GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

(A) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Company considers, whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated.

In determining the transaction price for the sale of goods, the Company allocates a portion of the transaction price to goods based on its relative standalone prices and also considers the following:

(i) Variable Consideration:

The Company recognizes revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, and volume rebates. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer.

The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(B) Sale of Services

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

(C) Other Operating Revenue

(i) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

(ii) Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

(D) Contract Balances

Trade Receivable

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Advance from Customers

An Advance from Customer is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, an advance from customer is recognised when the payment is made or the payment is due (whichever is earlier). These balances are recognised as revenue when the Company performs under the contract.

2.07 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



GSTP (HFS) PRIVATE LIMITED


Director

GSTP (HFS) PRIVATE LIMITED


Director

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.08 Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for factory building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

2.09 Inventories

Basis of Valuation

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

Method of Valuation:

Cost of raw materials has been determined by using "First In First Out (FIFO)" cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable.

Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

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

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



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Director

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Director

2.12 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft.

2.13 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets which is calculated using simplified approach as per Ind-AS 109 based on past trends and measured at amortized cost and FVOCI.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.


Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.



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Notes forming part of the Financial Statements for the year ended 31st March 2024

(Amount in INR Lakhs, unless otherwise stated)

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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

(ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

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

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

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

2.14 Redeemable Debentures

Redeemable Debentures issued at below-market interest rates are separated into liability and equity components based on the terms of the contract.

2.15 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year 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.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.



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Notes forming part of the Financial Statements for the year ended 31st March 2024

(Amount in INR Lakhs, unless otherwise stated)

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.16 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Provision for Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. A corresponding amount is recognised directly in equity.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.19 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.



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Director

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Director

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Notes forming part of the Financial Statements for the year ended 31st March 2024

(Amount in INR Lakhs, unless otherwise stated)

2.20 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

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

(a) Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. Refer Note 2.02 above for estimated useful lives of assets.

(b) Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

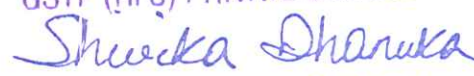
The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 37.



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4 Standards (including amendments) issued but not yet effective

There are no standards that are issued but not yet effective as on 31 March 2024

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

5 First-time adoption of Ind-AS

These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2024, together with the comparative year data as at and for the year ended 31 March 2023, as described in the significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2022, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2022 and the financial statements as at and for the year ended 31 March 2023

5.1 Exemptions availed on first time adoption of Ind AS

Ind AS 101, First-time Adoption of Indian Accounting Standards, allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions.

(a) Deemed Cost

Since there is no change in the functional currency, the Company has elected to continue with carrying value for all of its property, plant and equipment as recognized in its Indian GAAP financial statements as its deemed cost at the date of transition after making adjustments for de-commissioning liabilities. Accordingly the management has elected to measure all of its property, plant and equipment at their Indian GAAP carrying value.

5.2 Mandatory Exemption on first-time adoption of Ind AS

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2022 are consistent with the estimates as at the same date made in conformity with Indian GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under Indian GAAP:

- (i) Impairment of financial assets based on expected credit loss model.
- (ii) Fair valuation of compound instrument.
- (iii) Effective interest rate used in calculation of security deposit.

(b) Derecognition of financial assets and financial liabilities

A first-time adopter should apply the derecognition requirements in Ind AS 109, Financial Instruments, prospectively to transactions occurring on or after the date of transition. Therefore, if a first-time adopter derecognized non-derivative financial assets or non-derivative financial liabilities under its Indian GAAP as a result of a transaction that occurred before the date of transition, it should not recognize those financial assets and liabilities under Ind AS (unless they qualify for recognition as a result of a later transaction or event). A first-time adopter that wants to apply the derecognition requirements in Ind AS 109, Financial Instruments, retrospectively from a date of the entity's choosing may only do so, provided that the information needed to apply Ind AS 109, Financial Instruments, to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognize provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

(c) Classification and measurement of financial assets

Ind AS 101, First-time Adoption of Indian Accounting Standards, requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



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Director

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Director

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(Amount in INR Lakhs, unless otherwise stated)

5.3 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from Indian GAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

(a) Reconciliation of Balance Sheet as at date of transition 1 April 2022

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		1,132.58	-	1,132.58
Right of use assets	h (iii)	-	262.36	262.36
Deferred Tax Asset (Net)	h (vi)	3.6	11.70	15.30
Financial assets				
Other financial assets	h (iv) & (vii)	548.45	(27.61)	520.84
Other non-current assets		41.17	-	41.17
Total non-current assets		1,725.80	246.45	1,972.25
Current assets				
Inventories		395.42	-	395.42
Financial assets				
Trade receivables	h (ii)	1,016.38	(25.41)	990.97
Cash and cash equivalents		1.53	-	1.53
Bank balances other than cash and cash equivalent		312.48	-	312.48
Loans		0.11	-	0.11
Other current assets		45.47	-	45.47
Total current assets		1,771.39	(25.41)	1,745.98
Total assets		3,497.19	221.04	3,718.23
EQUITY AND LIABILITIES				
Equity				
Equity share capital		128.00	-	128.00
Other equity	(d)	206.56	18.23	224.79
Total equity		334.56	18.23	352.79
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	h(i)	1,009.97	(49.66)	960.31
Lease Liabilities	h (iii)	-	236.48	236.48
Provisions	h (v)	-	7.98	7.98
Total non-current liabilities		1,009.97	194.80	1,204.77
Current liabilities				
Financial liabilities				
Borrowings		1,168.95	-	1,168.95
Lease Liabilities	h (iii)	-	10.27	10.27
Trade payables		763.48	-	763.48
Other financial liabilities		123.38	-	123.38
Other current liabilities		86.45	-	86.45
Provisions	h (v)	2.30	(2.26)	0.04
Current tax liabilities (net)		8.10	-	8.10
Total current liabilities		2,152.66	8.01	2,160.67
Total liabilities		3,162.63	202.81	3,365.44
Total equity and liabilities		3,497.19	221.04	3,718.23

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.


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Notes forming part of the Financial Statements for the year ended 31st March 2024

(Amount in INR Lakhs, unless otherwise stated)

(b) Reconciliation of Balance Sheet as at 31 March 2023

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		1,251.43	-	1,251.43
Right of use assets	h (iii)		235.68	235.68
Deferred Tax Asset (Net)	h (vi)		2.81	2.81
Financial assets				
Other financial assets	h (iv) & (vii)	537.33	(26.63)	510.70
Other non-current assets		4.53	-	4.53
Total non-current assets		1,793.29	211.86	2,005.15
Current assets				
Inventories	h (viii)	1,300.00	131.73	1,431.73
Financial assets				
Trade receivables	h (ii) & (vii)	157.91	(86.95)	70.96
Cash and cash equivalents		7.25	-	7.25
Bank balances other than cash and cash equivalent		555.43	-	555.43
Loans		0.61	-	0.61
Other current assets		86.73	-	86.73
Total current assets		2,107.93	44.78	2,152.71
Total assets		3,901.22	256.64	4,157.86
EQUITY AND LIABILITIES				
Equity				
Equity share capital	h(ii) & (iv)	178.00	-	178.00
Other equity	(d)	464.97	(17.86)	447.11
Total equity		642.97	(17.86)	625.11
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	h(i)	870.53	(40.99)	829.54
Lease Liabilities	h (iii)	-	223.07	223.07
Deferred Tax Liabilities (Net)	h (vi)	8.15	(8.15)	-
Provisions	h(v)	-	19.57	19.57
Total non-current liabilities		878.68	193.50	1,072.18
Current liabilities				
Financial liabilities				
Borrowings		1,563.07	-	1,563.07
Lease Liabilities	h (iii)	-	13.41	13.41
Trade payables		382.00	-	382.00
Other financial liabilities	h (viii)	112.26	5.63	117.89
Other current liabilities	h (vii)	286.35	69.52	355.87
Provisions	h (v)	7.70	(7.56)	0.14
Current tax liabilities (net)		28.19	-	28.19
Total current liabilities		2,379.57	81.00	2,460.57
Total liabilities		3,258.25	274.50	3,532.75
Total equity and liabilities		3,901.22	256.64	4,157.86

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



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Director

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Director

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Notes forming part of the Financial Statements for the year ended 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

(c) Reconciliation of profit or loss for the year ended 31 March 2023

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
Income				
Revenue from operations	h (viii)	10,650.43	(131.08)	10,519.35
Other income	h (iv)	433.99	0.98	434.97
Total income		11,084.42	(130.10)	10,954.32
Expenses				
Cost of material consumed		9,655.63	-	9,655.63
Changes in inventories of finished goods and work-in-proc	h (viii)	(780.85)	(131.73)	(912.58)
Employee benefits expense	h (v)	203.06	5.48	208.54
Finance costs	h (iii)	203.74	32.85	236.59
Depreciation and amortization expense	h (iii)	95.84	26.68	122.52
Other expenses	h (iii) & (vii)	1,484.21	(28.87)	1,455.34
Total expenses		10,861.63	(95.59)	10,766.04
Profit before tax		222.79	(34.51)	188.28
Tax expense				
Current tax		(40.00)	-	(40.00)
Adjustment of tax relating to earlier periods		0.15	-	0.15
Deferred tax	h (vi)	(11.75)	(0.88)	(12.63)
Total income tax expense		(51.60)	(0.88)	(52.48)
Profit for the year		171.19	(35.39)	135.80
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Re-measurement gains/ (losses) on defined benefit plan:	h (v)	-	(0.82)	(0.82)
Income tax effect	h (vi)	-	0.14	0.14
Other comprehensive income for the year		-	(0.68)	(0.68)
Total other comprehensive income for the year		171.19	(36.07)	135.12

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



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GSTP (HFS) Private Limited

Notes forming part of the Financial Statements for the year ended 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

(d) Reconciliation of total equity as at 31 March 2023 and 1 April 2022

	Notes to first-time adoption	As at 31 March 2023	As at 1 April 2022
Shareholder's equity as per Indian GAAP audited financial statements		642.97	334.56
<u>Adjustment</u>			
(i) 6% Redeemable Debentures	h (i)	40.99	49.66
(ii) Creation of Expected Credit Loss on Trade Receivables as per Ind AS 109	h (ii)	(25.41)	(25.41)
(iii) Leases as per Ind AS 116	h (iii)	(16.41)	-
(iv) EIR impact on Security Deposit	h (iv)	0.98	-
(v) Provision for Defined Benefit Obligation & Leave Encashment as per Ind AS 19	h (v)	(12.02)	(5.72)
(vi) Adjustment in Revenue (net of related cost) as per Ind AS 115	h (viii)	0.66	-
(vii) Prior Period Adjustments as per Ind AS 108	h (vii)	(17.62)	(12.00)
(viii) Deferred Taxes as per Ind AS 12	h (vi)	10.96	11.70
Total Adjustment		(17.86)	18.23
Shareholder's equity as per Ind AS		625.11	352.79

(e) Reconciliation of total comprehensive income for the year ended 31 March 2023

	Notes to first-time adoption	As at 31 March 2023
Profit as per Indian GAAP		171.19
<u>Adjustment</u>		
(i) 6% Redeemable Debentures	h (i)	(8.64)
(ii) Leases as per Ind AS 116	h (iii)	(16.41)
(iii) Adjustment in Revenue (net of related cost) as per Ind AS 115	h (viii)	0.66
(iv) Prior Period Adjustments as per Ind AS 108	h (vii)	(5.62)
(v) Provision for Defined Benefit Obligation & Leave Encashment as per Ind AS 19	h (v)	(6.30)
(vi) EIR impact on Security Deposit	h (iv)	0.98
(vii) Deferred Taxes as per Ind AS 12	h (vi)	(0.74)
Total		(36.07)
Profit as per Ind AS		135.12

(f) Impact of Ind AS adoption on cash flow statements for the year ended 31 March 2023

	Notes to first-time adoption	Indian GAAP*	Adjustments	Ind AS
Net cash flow from operating activities	h(iii)	252.64	(36.49)	216.15
Net cash flow from investing activities		(352.48)	-	(352.48)
Net cash flow from financing activities	h(iii)	105.56	36.49	142.05
Net increase / (decrease) in cash and cash equivalents		5.72	-	5.72
Cash and cash equivalents as at 1 April 2022		1.53	-	1.53
Cash and cash equivalents as at 31 March 2023		7.25	-	7.25

* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



GSTP (HFS) PRIVATE LIMITED
[Signature]
Director

GSTP (HFS) PRIVATE LIMITED
[Signature]
Director

GSTP (HFS) Private Limited

Notes forming part of the Financial Statements for the year ended 31st March 2024

(Amount in INR Lakhs, unless otherwise stated)

(h) **Notes to first-time adoption**

(i) **6% Redeemable Debentures**

Under Indian GAAP, the company classified 6% Redeemable as long-term borrowings. This instrument, issued to the ultimate parent company, P N S Business Private Limited, has a 7-year term with a principal of Rs. 340 Lacs (at Rs 100 face value per unit) as of 18th January 2020. This below-market interest rate indicates an equity contribution from the ultimate parent company, rendering the instrument a compound financial instrument under Ind AS 109 "Financial Instruments". The company has fair valued the 6% debentures by discounting the cash flows at the market borrowing rate and has recognized the surplus as a deemed equity contribution from the parent. The financial liability is accounted for using the amortized cost method.

(ii) **Creation of Expected Credit Loss on Trade Receivables as per Ind AS 109**

In compliance with Ind AS 109, provisions for expected credit losses on trade receivables are accounted for. The management has conducted a thorough rolling review and, in light of the observed delays in customer payments, has determined that it is prudent to establish a provision for expected credit losses to safeguard against potential future bad debts.

(iii) **Leases**

Under previous GAAP, Operating Lease cost was directly recognized in the statement of Profit & Loss. Under Ind AS, Operating Lease is recognized in balance sheet as Right of Use Assets at present value of future cashflows and corresponding lease liability is created. Post initial recognition, finance cost is accrued on lease liability and right of use assets are amortized over the period of lease.

(iv) **Security deposit**

Under previous GAAP, interest-free lease deposits given (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets and financial liabilities are to be recognised at their fair value on the initial recognition. Since these deposits are interest-free, the Company has determined the fair value of the lease deposits by discounting these deposits for the respective lease period. Difference between the discounted value (fair value) and transaction value of security deposit has been recognized as Right of Use Asset.

The Right of Use Asset has been amortized over the lease term and interest income has been recognised on the fair value of security deposit. The difference in Depreciation on Right of Use Asset and interest income have been adjusted in Statement of profit & Loss for year ended 31 March 2023.

(v) **Defined benefit liabilities**

Under previous GAAP, the Company recognized costs related to its post-employment defined benefit plan using own estimates and the entire cost are charged to Statement of Profit and Loss. Under Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis and re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus the employee benefit cost for the year ended 31 March 2023 is increased and re-measurement gains/ losses on defined benefit plans of the corresponding amount has been recognized in the OCI, net of taxes.

(vi) **Deferred tax**

Deferred tax created on temporary differences created due to various adjustments on transition to Ind AS.

(vii) **Prior Period Adjustment**

Under Previous GAAP, prior period expense was recognised in the current year financials. Under Ind AS, prior periods need to be restated for adjustment of prior period expenses.

(viii) **Revenue Recognition**

Under previous GAAP, the company recognised the revenue as and when risk and reward of Goods has transferred. Under Ind AS, the revenue is recognised on the basis of 5 step model as per Ind AS 115. Since, the Company has not satisfied its performance obligation as on March 31, 2023, the company has reversed the revenue and its related cost of goods sold and recognised as inventory in balance sheet along with consequent adjustment to trade receivables and advance from customers.

(ix) **Other comprehensive income**

The concept of Other Comprehensive Income (OCI) did not exist under Indian GAAP. Also refer point (v) above.

(x) **Statement of cash flows**

No material impact on transition from Indian GAAP to Ind AS on the statement of cash flows.



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) Private Limited
Notes forming part of the Financial Statements for the year ended 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

6 Property, plant and equipment

Particulars	Gross Carrying Amount			Depreciation		Net Carrying Amount		
	As at 1 April 2023	Additions	As at 31 March 2024	As at 1 April 2023	Depreciation For the year	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Building	-	15.87	15.87	-	0.14	0.14	15.73	-
Plant & Machinery	1,179.34	586.65	1,765.99	77.96	166.94	244.90	1,521.09	1,101.38
Office Equipments	1.37	3.39	4.76	0.30	0.73	1.03	3.73	1.07
Computers & Accessories	0.39	1.08	1.47	0.17	0.18	0.35	1.12	0.22
Electrical Installations & Equipments	145.18	25.77	170.95	15.54	16.11	31.65	139.30	129.64
Motor Car	17.61	-	17.61	1.75	2.17	3.92	13.69	15.86
Furniture & Fixtures	3.37	-	3.37	0.11	0.32	0.43	2.94	3.26
Total	1,347.26	632.76	1,980.02	95.83	186.59	282.42	1,697.60	1,251.43

Particulars	Gross Carrying Amount			Depreciation		Net Carrying Amount	
	As at 1 April 2022 (Refer Note 6.03)	Additions	As at 31 March 2023	As at 1 April 2022 (Refer Note 6.03)	Depreciation For the year	As at 31 March 2023	As at 31 March 2023
Plant & Machinery	974.49	204.85	1,179.34	-	77.96	77.96	1,101.38
Office Equipments	1.37	-	1.37	-	0.30	0.30	1.07
Computers & Accessories	0.39	-	0.39	-	0.17	0.17	0.22
Electrical Installations & Equipments	145.18	-	145.18	-	15.54	15.54	129.64
Motor Car	10.29	7.32	17.61	-	1.75	1.75	15.86
Furniture & Fixtures	0.86	2.51	3.37	-	0.11	0.11	3.26
Total	1,132.58	214.68	1,347.26	-	95.84	95.83	1,251.43

6.01 Property, plant and equipment pledged as security

Refer to Note 16 and Note 19 for information on property, plant and equipment pledged as security by the Company.

6.02 Contractual Obligations

Refer to Note 35 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

6.03 Deemed Cost

The Company has elected to continue with the carrying value of its Property, Plant or Equipment recognised as of April 1, 2022 measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

6.04 Title Deeds

Title Deeds of the Building are in the name of the company.

GSTP (HFS) PRIVATE LIMITED


Director

GSTP (HFS) PRIVATE LIMITED

Director



GSTP (HFS) Private Limited
Notes forming part of the Financial Statements for the year ended 31st March 2024
(Amount in INR Lakhs, unless otherwise stated)

6.(b) Right-of-use Assets

Particulars	Gross Carrying Amount			Amortization		Net Carrying Amount		
	As at 1 April 2023	Additions	As at 31 March 2024	As at 1 April 2023	Depreciation For the year	As at 31 March 2024	As at 31 March 2024	As at 01 April 2023
Factory Building	262.36	-	262.36	26.68	26.68	53.36	209.00	235.68
Total	262.36	-	262.36	26.68	26.68	53.36	209.00	235.68

Particulars	Gross Carrying Amount			Amortization		Net Carrying Amount		
	As at 1 April 2022	Additions	As at 31 March 2023	As at 1 April 2022	Depreciation For the year	As at 31 March 2023	As at 31 March 2023	As at 01 April 2022
Factory Building	262.36	-	262.36	-	26.68	26.68	235.68	262.36
Total	262.36	-	262.36	-	26.68	26.68	235.68	262.36

Refer Note 34 for Ind AS 116 Disclosures



GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

7. Other financial assets
(at amortized cost)

Bank Deposit with more than 12 months maturity
Interest accrued on deposits (above)
Rent Deposits
Security deposits

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
25.53	204.51	225.53
2.73	18.36	8.38
16.46	15.37	14.39
276.10	272.46	272.54
320.82	510.70	520.84

Note:

Bank deposits are lien marked with various banks and a financial institution for working capital facilities being used by the company.

8. Inventories

(Valued at lower of cost and net realisable value)

Raw Materials
Store Materials
Work in Progress
Finished Goods
Scrap
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
385.41	289.18	151.31
34.90	2.82	16.96
250.61	-	-
680.17	997.29	139.76
9.45	142.44	87.39
1,360.54	1,431.73	395.42

Note:

Refer Note 16 and 19 for details of lien/charge against inventories.

9. Trade receivables
(at amortized cost)

Unsecured, considered good
Unsecured, considered doubtful

Allowance for Credit Losses

Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
1,876.00	70.96	990.97
25.41	25.41	25.41
1,901.41	96.37	1,016.38
(25.41)	(25.41)	(25.41)
1,876.00	70.96	990.97

Note:

(i) Movements in allowance for credit losses of receivables is as below:

Opening balance
Add: Allowance made during the year
Less: Write off during the year
Closing balance

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
(25.41)	(25.41)	-
-	-	-
-	-	-
(25.41)	(25.41)	(25.41)

(ii) Break up of security details

Trade receivables considered good - unsecured
Trade receivables considered doubtful, unsecured
Total
Loss allowance
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
1,876.00	70.96	990.97
25.41	25.41	25.41
1,901.41	96.37	1,016.38
(25.41)	(25.41)	(25.41)
1,876.00	70.96	990.97

(iii) Trade receivable ageing schedule

As at 31 March 2024	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed - considered good	-	1,813.63	49.24	10.91	2.22	-	1,876.00
Undisputed - considered doubtful	-	-	-	25.41	-	-	25.41
Total	-	1,813.63	49.24	36.32	2.22	-	1,901.41
Loss allowance	-	-	-	(25.41)	-	-	(25.41)
Total	-	1,813.63	49.24	61.73	2.22	-	1,876.00

As at 31 March 2023	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed - considered good	-	29.03	39.71	2.22	-	-	70.96
Undisputed - considered doubtful	-	-	25.41	-	-	-	25.41
Total	-	29.03	65.12	2.22	-	-	96.37
Loss allowance	-	-	(25.41)	-	-	-	(25.41)
Total	-	29.03	90.53	2.22	-	-	70.96

As at 1 April 2022	Not due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed - considered good	-	988.63	-	2.34	-	-	990.97
Undisputed - considered doubtful	-	25.41	-	-	-	-	25.41
Total	-	1,014.04	-	2.34	-	-	1,016.38
Loss allowance	-	(25.41)	-	-	-	-	(25.41)
Total	-	988.63	-	2.34	-	-	990.97

- (iv) Considering the nature of business of the company, majority of the amounts are collected either in advance or within 90 days from the date of sales and accordingly, the Company measures the expected credit loss of trade receivables from individual customers towards sales made based on historical trend, industry practices and the business environment in which the company operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivables or expected credit loss is not material and hence no additional disclosures are presented.



GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

10. Cash and cash equivalents

Cash on hand
Balances with Banks in Current Account
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
0.27	2.21	1.50
0.12	5.04	0.03
0.39	7.25	1.53

11. Bank balances other than cash and cash equivalent
(at amortized cost)

Bank deposits with maturities less than 12 months and more than 3 months (refer note below)
Interest accrued on deposits (above)
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
805.00	530.65	304.63
20.42	24.78	7.85
825.42	555.43	312.48

Note:

- (i) Bank deposits represents deposits with original maturity for more than 3 months but less than 12 months, held by the entity, lien marked with various banks for working capital facilities used. Refer Note 16 and 19 for details.

12. Loans

Carried at amortised cost
Loans receivables – considered good - unsecured
Loans to employees (refer note below)
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
2.14	0.61	0.11
2.14	0.61	0.11

Note:

- (i) The Company does not have any loans which are either credit impaired or where there is significant increase in credit risk.
(ii) Break up of security details

Loans receivables considered good - unsecured
Total
Loss allowance
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
2.14	0.61	0.11
2.14	0.61	0.11
-	-	-
2.14	0.61	0.11

13 (a) Other current assets

Unsecured, considered good
Advance to suppliers
Prepaid expenses
Balance with statutory/government authorities
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
117.63	86.63	40.79
-	0.10	1.50
6.73	-	3.18
124.36	86.73	45.47

13 (b) Other non-current assets

Unsecured, considered good
Capital Advances
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
3.85	4.53	41.17
3.85	4.53	41.17



GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

16. Borrowings
(at amortized cost)

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Secured loans			
Term loans from banks	544.58	639.64	740.25
Vehicle loans			
from bank	3.72	5.88	-
from financial institutions	7.11	9.74	12.01
Unsecured			
6% Debentures	308.54	299.04	290.40
Less: Current maturity of long term borrowings (Refer note 19)	(185.35)	(124.76)	(82.35)
Total	678.60	829.54	960.31

Repayment terms and security disclosure:

A. Term Loans from Banks & Financial Institutions

Terms of borrowings	Security	Terms of repayment	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
(I) Axis Bank Limited Term Loan : Interest rate linked to Repo plus 3.25% spread, current carrying interest between 9.30% to 10.06% (31 March 2023: 0%).	1. Exclusive hypothecation charge on all the current assets of the company, both present & future. 2. Exclusive hypothecation charge on all the movable fixed assets of the company, both present & future (excluding vehicles and assets financed by other lenders, if any). 3. FD Rs. 1,000 Lacs in the name of GSTP (HFS) Private Limited & Global Seamless Tubes & Pipes Private Limited. 4. Extension of 2nd charge on land with entire construction at Khalisani, Uluberia, Howrah owned by Mr. Pankaj Dhanuka, Smt Chandrakala Devi Dhanuka, Smt Shashi Kedia and Smt Maya Devi Kedia and leased out to Babulal Dhanuka Family Trust. (Items in SN 3 & 4 are cross collateral for the exposure of Global Seamless Tubes & Pipes Private Limited also.) Personal Guarantee of: 1. Pankaj Dhanuka 2. Shivika Dhanuka 3. Dipti Kedia 4. Chandrakala Devi Dhanuka 5. Shashi Kedia 6. Maya Devi Kedia Corporate Guarantee of: 1. P N S Business Private Limited	The loan is repayable in structured installments of 16 months with quarterly principal repayment of Rs 25 Lacs in Financial Year 2023-24, and Rs 30 from Financial Year 2024-25.	384.83	-	-
(II) Axis Bank Limited Interest rate linked to Repo plus 2.75% spread, current carrying interest between 8.82% to 9.43% (31 March 2023: 0%).	1. Extension of charge on securities on second charge basis except Personal Guarantees. 2. 100% Credit Guarantee by NCGTC.	44 months including residual moratorium of 8 months. Principal repayable in 36 equal instalments of Rs. 5 Lacs starting from December 2023.	159.75	-	-
(III) State Bank of India	1. Exclusive hypothecation of all plant & Machinery belonging to the unit viz sizing mill Machine with Spare tooling auxiliary etc., L.P.G Furnance Setup & all other machinery, accessories & auxiliary items and all stocks and receivables created out of Bank finance both present and future. 2. Collateral security in the form of STDR aggregating Rs. 6.97 Crores. 3. Additionally secured by personal guarantee of the directors 1. Mr. Pankaj Dhanuka 2. Shivika Dhanuka 3. Dipti Kedia and corporate guarantee by M/s PNS Business Pvt. Ltd.	Rs 25 Lacs quarterly principal repayment. The loan has been taken over by Axis Bank Limited during the Financial Year 2023-24.	-	459.87	559.15
(IV) State Bank of India	1. Exclusive hypothecation of all plant & Machinery belonging to the unit viz sizing mill Machine with Spare tooling auxiliary etc., L.P.G Furnance Setup & all other machinery, accessories & auxiliary items and all stocks and receivables created out of Bank finance both present and future. 2. Collateral security in the form of STDR aggregating Rs. 6.97 Crores. 3. Additionally secured by personal guarantee of the directors 1. Mr. Pankaj Dhanuka 2. Shivika Dhanuka 3. Dipti Kedia and corporate guarantee by M/s PNS Business Pvt. Ltd.	Rs 5 Lacs quarterly principal repayment in 36 equal instalments. The loan has been taken over by Axis Bank Limited during the Financial Year 2023-24.	-	179.77	181.10

B. Vehicle loan

Terms of Borrowings	Security	Terms of Repayment	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
1. From banks (I) Canara Bank Carrying interest rate of 9.70% p.a (31 March 2023: 9.70% p.a. & 1 April 2022: 9.70% p.a.)	First charge on the vehicle being funded by the lender.	Repayable in 36 monthly instalment started from F.Y 2022-23.	3.72	5.88	-
2. From financial institution Cholamandalam Investment and Finance Company Limited Carrying interest rate of 11.255% p.a (31 March 2023: 11.255% p.a. & 1 April 2022: 11.255% p.a.)		Repayable in 59 monthly instalment since F.Y 2021-22. Instalment per month is Rs.29,949 (inclusive of interest)	7.11	9.74	12.01



GSTP (HFS) PRIVATE LIMITED

A. Anant
Director

GSTP (HFS) PRIVATE LIMITED

Shivika Dhanuka
Director

17. Lease liabilities

Non-Current
Lease liabilities
Total non-current

Current
Lease liabilities
Total current

Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
206.72	223.07	236.48
206.72	223.07	236.48
16.36	13.41	10.27
16.36	13.41	10.27
223.08	236.48	246.75

18. Provisions

Provision for employee benefits (Refer note 37)

- Gratuity
- Compensated absences

Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
24.74	14.41	6.37
22.21	5.16	1.61
46.95	19.57	7.98

19. Borrowings

Secured loans

From banks

Cash credit facilities
Working capital

From financial institution

Working capital

Unsecured loans

Loans from related party (Refer note 38)
Loan from Directors

*Current maturities of long term borrowings (Refer note 16)

Total

* Includes interest accrued on borrowings

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
875.74	392.97	398.05
545.11	431.61	30.26
705.80	-	-
315.15	563.71	465.65
10.74	50.02	192.64
185.35	124.76	82.35
2,637.89	1,563.07	1,168.95

(i) Nature of security

(a) Cash credit and working capital loan facilities from banks are secured by either one or more of the following as per terms of arrangement with respective banks and financial institutions:

Primary security:

Exclusive hypothecation charge on all the current assets and movable fixed assets of the company, both present and future.

Collateral security:

Fixed Deposits of Rs 1,000 Lacs in name of GSTP (HFS) Private Limited and Gloabal Seamless Tubes & Pipes Private Limited and extension of 2nd charge on land with entire constructions thereon situated at Khalisani, Uluberia, Howrah, which is owned by Pankaj Dhanuka, Chandrakala Devi Dhanuka, Shashi Kedia, and Maya Devi Kedia and leased out to Babulal Dhanuka Family Trust.

The said Fixed Deposit and Property is cross collateral for the exposure of GSTP (HFS) Private Limited and Global Seamless Tubes & Pipes Private Limited.

Personal Guarantee:

Personal Guarantee for these facilities is given by Pankaj Dhanuka, Shivika Dhanuka, Dipti Kedia, Chandrakala Devi Dhanuka, Shashi Kedia, Maya Devi Kedia,

Corporate Guarantee:

P N S Business Private Limited has provided the corporate guarantee for the above Cash credit and working capital facilities.

(ii) Interest rate on cash credit facilities, working capital facility and bill discounting ranges from 6.5% to 10% (31 March 2022: 6.70 % to 13.90%)



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

20. Trade payables
(at amortised cost)

Total outstanding dues of micro enterprises and small enterprises (Refer note 40)
Total outstanding dues of creditors other than micro enterprises and small enterprises
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
23.04	18.58	7.30
513.73	363.42	756.18
536.77	382.00	763.48

Ageing schedule of trade payables

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024						
Undisputed dues- MSME	-	23.04	-	-	-	23.04
Undisputed dues- Others	-	506.23	4.36	3.14	-	513.73
Total	-	529.27	4.36	3.14	-	536.77

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023						
Undisputed dues- MSME	-	18.58	-	-	-	18.58
Undisputed dues- Others	-	356.00	5.12	2.29	-	363.42
Total	-	374.58	5.12	2.29	-	382.00

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 1 April 2022						
Undisputed dues- MSME	-	7.30	-	-	-	7.30
Undisputed dues- Others	-	742.06	14.12	-	-	756.18
Total	-	742.06	14.12	-	-	763.48

21. Other financial liabilities
(at amortised cost)

Capital creditors
Interest accrued on 6% Debentures
Employee benefits payable
Electricity Charges Payable
Other Payable
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
38.19	40.09	22.65
7.65	28.75	40.39
6.86	4.12	24.62
46.40	32.85	34.52
33.51	12.08	1.20
132.61	117.89	123.38

Ageing schedule of Capital Creditors

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2024						
Undisputed dues- Others	-	38.19	-	-	-	38.19
Total	-	38.19	-	-	-	38.19

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023						
Undisputed dues- Others	-	38.87	1.22	-	-	40.09
Total	-	38.87	1.22	-	-	40.09

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 01 April 2022						
Undisputed dues- Others	-	22.65	-	-	-	22.65
Total	-	22.65	-	-	-	22.65

22. Other current liabilities

Advances from customers
Statutory dues payable
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
119.77	263.45	72.36
215.56	92.42	14.09
335.33	355.87	86.45

23. Provisions

Provision for employee benefits (Refer note 37)
- Compensated absences
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
0.56	0.14	0.04
0.56	0.14	0.04

24. Current tax liabilities (net)

Provision for Taxation (Net of Advance Tax and TDS Receivable)

Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
13.23	28.19	8.10
13.23	28.19	8.10



GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

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[Signature]
Director

14. Share capital

Authorised share capital
(Equity Shares of INR 10 each)
As at 1 April 2022
Increase during the year
As at 31 March 2023
Increase during the year
As at 31 March 2024

Equity shares	
Number of shares	Amount
3,000,000	300.00
-	-
3,000,000	300.00
-	-
3,000,000	300.00

Issued equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid up

As at 1 April 2022
Increase during the year
As at 31 March 2023
Increase during the year
As at 31 March 2024

Number of shares	Amount
1,280,000	128.00
500,000	50.00
1,780,000	178.00
-	-
1,780,000	178.00

Notes:

a) Reconciliation of the shares outstanding at the beginning and at the end of reporting period

	As at 31 March 2024		As at 31 March 2023		As at 1 April 2022	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares						
At the commencement of the year	1,780,000	178.00	1,280,000	128.00		
Add: shares issued during the year	-	-	500,000	50.00		
At the end of the year	1,780,000	178.00	1,780,000	178.00	1,280,000	128.00

b) Terms, rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

In the event of winding-up of the Company, the equity shareholders shall be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	As at 31 March 2024		As at 31 March 2023		As at 1 April 2022	
	Number of shares	% of holding	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10 each fully paid held by						
Global Seamless Tubes & Pipes Private Limited	1,780,000	100.00%	-	0.00%	-	0.00%
P N S Business Private Limited	-	0.00%	1,200,000	67.42%	1,200,000	93.75%
Shivika Dhanuka	-	0.00%	540,000	30.34%	40,000	3.13%

d) Details of promoters' shareholding percentage in the Company is as below

	As at 31 March 2024		As at 31 March 2023		% Change
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10 each fully paid held by					
Global Seamless Tubes & Pipes Private Limited	1,780,000	100.00%	-	0.00%	100.00%
P N S Business Private Limited	-	0.00%	1,200,000	67.42%	-67.42%
Pankaj Dhanuka	-	0.00%	40,000	2.25%	-2.25%
Shivika Dhanuka	-	0.00%	540,000	30.34%	-30.34%
	1,780,000	100.00%	1,780,000	100.00%	0.00%

	As at 31 March 2023		As at 1 April 2022		% Change
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10 each fully paid held by					
Global Seamless Tubes & Pipes Private Limited	-	0.00%	-	0.00%	0.00%
P N S Business Private Limited	1,200,000	67.42%	1,200,000	93.75%	-26.33%
Pankaj Dhanuka	40,000	2.25%	40,000	3.13%	-0.88%
Shivika Dhanuka	540,000	30.34%	40,000	3.13%	27.21%
	1,780,000	100.00%	1,280,000	100.00%	0.00%

e) The Company has not issued any bonus shares, any shares for consideration other than cash or bought back any shares since its incorporation.



GSTP (HFS) PRIVATE LIMITED

[Signature]

Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Shivika Dhanuka
Director

15. Other equity

Securities Premium Account
Equity Component of Compound Financial Instrument (6% Debentures)
Retained earnings
Debt Redemption Reserve
Total

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
280.00	280.00	180.00
66.01	66.01	66.01
1,256.05	101.10	(21.22)
34.00	-	-
1,636.06	447.11	224.79

a. Securities Premium Account

Balance at the beginning of the year
Add: Addition during the year
Balance at the end of the year

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
280.00	180.00	-
-	100.00	-
280.00	280.00	180.00

b. Equity Component of Compound Financial Instrument (6% Debentures)

Balance as at the beginning of the year
Add: Addition for the year
Less: Reversal during the year
Balance at the end of the year

66.01	66.01	-
-	-	-
-	-	-
66.01	66.01	66.01

c. Retained earnings

Balance as at the beginning of the year
Add: Profit for the year
Items of other comprehensive income recognised directly in retained earnings
Remeasurement of post employment benefit obligation, net of tax
Less: Dividend on equity shares
Less: Transfer to Debt Redemption Reserve
Balance at the end of the year

101.10	(21.22)	-
1,188.83	135.80	-
0.12	(0.68)	-
-	(12.80)	-
(34.00)	-	-
1,256.05	101.10	(21.22)

d. Debt Redemption Reserve

Balance as at the beginning of the year
Add: Addition for the year
Less: Reversal during the year
Balance at the end of the year

-	-	-
34.00	-	-
-	-	-
34.00	-	-

Total other equity

1,636.06	447.11	224.79
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15.01 Nature and purpose of reserve

i. Securities Premium Account

Represents excess of net assets taken over by the Company over face value of equity shares. Accumulated capital surplus is not available for distribution of dividend and expected to remain invested permanently.

ii. Retained earnings

Retained earnings represents the accumulated profits / losses made by the Company over the years, which also includes Ind AS transition adjustments made on the transition date (Refer Note 5.3).

iii. Deemed contribution by shareholders (6% Debentures)

Represents the equity component of compound financial instruments classified as equity based on the fair valuation of excess contribution received from the shareholders as per Ind AS 109. (Refer Note 5.3(h)(i)).

iv. Debt Redemption Reserve

Pursuant to Section 71(4) of the Companies Act, 2013 along with Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, the company has created Debentures redemption reserve @ 10% of the total redeemable value of the debentures.

15.02 Distribution made during the year

Particulars

Cash dividends on equity shares declared and paid :

Interim dividend for FY 2023-24 : NIL (March 31, 2023: 12,80,000 shares of face Value INR 10 each @ INR 1.00)

2023-24	2022-2023
-	12.80
-	12.80



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Director

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Director

25. Revenue from operations

	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of products		
Sale of products	8,361.06	10,025.40
Sale of services		
Piercing Charges	1,661.80	204.39
Other operating revenue		
Sale of scrap	179.79	289.11
Duty drawback	3.57	0.45
Total	10,206.22	10,519.35

Notes:

Information relating to revenue from contracts with customers as per Ind AS 115 are given below:

(i) Disaggregated Revenue Information

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
- India	9,551.89	10,491.46
-Outside India	654.33	27.89

(ii) Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Trade receivables	1,876.00	70.96	990.97
Advance from Customers	119.77	263.45	72.36

(iii) Reconciliation of revenue recognised with the contracted price is as follows

	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	10,031.60	10,231.40
Reduction towards variable consideration components*	(8.74)	(1.61)
Revenue recognised	10,022.86	10,229.79

*The reduction towards variable consideration comprises of discounts, etc.

26. Other income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income		
- Deposits with banks	48.57	30.62
- Deposits with others	10.29	9.58
- On IT Refund	-	0.33
Other non-operating income		
Technical consulting services	710.29	348.67
Liability No Longer Required Written back	1.92	39.09
Gain on foreign exchange fluctuation (net)	6.40	0.55
Miscellaneous income	-	6.13
Total	777.47	434.97

27. Cost of materials consumed

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock		
Raw materials	289.18	151.31
Store Materials	2.82	16.96
Add: Purchases during the year		
Raw materials	6,773.91	9,686.64
Material Processing Charges	54.00	-
Store Materials	173.02	92.72
	7,292.93	9,947.63
Less: Closing stock		
Raw materials	385.41	289.18
Store Materials	34.90	2.82
Total	6,872.62	9,655.63



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[Signature]
Director

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Director

28. Changes in inventories of finished goods and work-in-progress

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening stock		
Finished Goods	997.29	139.76
Scrap	142.44	87.39
Sub-total	1,139.73	227.15
Closing stock		
Work in Progress	250.61	-
Finished Goods	680.17	997.29
Scrap	9.45	142.44
Sub-total	940.23	1,139.73
Total	199.50	(912.58)

29. Employee benefits expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and wages	251.66	190.96
Contribution to Provident & Other Funds	14.08	10.36
Gratuity Expense	10.47	7.22
Total	276.21	208.54

Refer Note 37 for Gratuity Disclosures

30. Finance costs

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest expense on financial liabilities at amortised cost		
On Borrowings from Banks	163.66	133.55
On Borrowings from financial institution	34.35	1.33
On Unsecured Loan	39.66	31.74
On Debenture	29.90	29.04
On Lease Liability	23.09	24.21
On Others	-	6.09
Bank Charges & Commission	27.28	3.55
Other Finance Cost	5.80	7.08
Total	323.74	236.59

31. Depreciation and amortisation expense

	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	186.59	95.84
Depreciation on right of use assets	26.68	26.68
Total	213.27	122.52

32. Other expenses

	For the year ended 31 March 2024	For the year ended 31 March 2023
Power & Fuel	1,258.62	1,200.71
Labour Charges	142.13	106.14
Rent	118.00	-
Repair & Maintenance	33.71	42.58
Clearing & Forwarding Charges	28.21	6.97
Travelling and Conveyance Expense	25.39	3.80
Legal & Professional Charges	14.50	4.92
Rates and Taxes	12.12	24.29
Payment to Auditors:	10.00	1.20
Freight and transport	7.99	26.69
Hiring charges	1.00	-
Printing and Stationery	0.59	0.51
Insurance	0.33	3.84
Miscellaneous Expenses	9.73	33.69
Total	1,662.32	1,455.34

Note: Break-up of payment to auditors

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As auditor:		
Statutory audit fee (including fees for internal controls over financial reporting)	10.00	0.90
Tax audit fee	-	0.30
Total	10.00	1.20



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[Signature]
Director

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Director

GSTP (HFS) Private Limited

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

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

33. Income tax
(a) Amounts recognised in statement of profit and loss

The major components of income tax expense for the years ended 31 March 2024 and 31 March 2023 are:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current year expenses	249.01	40.00
Tax adjustment related to earlier years	(5.64)	(0.15)
Deferred Tax (including recognised in OCI)	3.85	12.49
Income tax expense reported in the statement of profit and loss	247.22	52.34

(b) Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Opening Balance	28.19	8.10	
Add: Current tax payable for the year	249.01	40.00	
Less: Earlier year tax reversed and expensed out	(5.64)	(0.15)	
Less: Provision amount adjusted with tax assets			
Add: Current taxes paid	(258.33)	(19.76)	
Closing balance of current tax liabilities (net)	13.23	28.19	8.10

(c) Reconciliation of effective tax rate

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March 2024 and 31 March 2023:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	1,436.03	188.28
Tax using the Company's domestic tax rate @ 17.16% (31 March 2023: 17.16%)	246.42	32.31
Tax effect of:		
Non-deductible expenses	0.17	-
Earlier year taxes and Interest	(5.64)	(0.15)
Others	6.27	20
	247.22	52.34

(d) Deferred tax assets/ liabilities

Deferred tax assets and liabilities are attributable to the following:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Deferred tax liabilities			
Property, plant and equipment	20.78	9.47	-
Right of use assets	35.86	40.44	45.02
Security Deposit	2.32	2.51	2.68
Others	-	0.11	-
Total	58.96	52.54	47.70
Deferred tax assets			
Provision for gratuity and compensated absences	8.04	3.24	1.38
Property, plant and equipment	-	-	6.41
Regarding 43B Liabilities	1.73	-	-
6% Debentures	5.40	7.03	8.51
Remeasurement Loss on Defined Benefit Obligations	0.12	0.14	-
Provision for inventory, trade receivables and other advances	4.36	4.36	4.36
Lease liabilities	38.28	40.58	42.34
Total	57.92	55.35	63.00
Net deferred tax (liabilities) / assets	(1.04)	2.81	15.30



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) Private Limited

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

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

(e) Movement of temporary differences

Components of deferred tax assets and liabilities as at 31 March 2024 are as below:

Particulars	As at 1 April 2023	Recognised through profit and loss	Recognised through other comprehensive income	As at 31 March 2024
Property, plant and equipment	(9.47)	(11.29)	-	(20.78)
Right of use assets	(40.44)	4.58	-	(35.86)
Provision for gratuity and compensated absences	3.38	4.79	(0.02)	8.15
6% Debentures	7.03	(1.63)	-	5.40
Financial assets measured at amortised cost	(2.62)	0.30	-	(2.32)
Provision for trade receivables and other advances	4.36	0.00	-	4.36
Lease liabilities	40.58	(2.30)	-	38.28
Other Financial Liability	-	1.73	-	1.73
Total	2.81	(3.83)	(0.02)	(1.04)

Components of deferred tax assets and liabilities as at 31 March 2023 are as below:

Particulars	As at 1 April 2022	Recognised through profit and loss	Recognised through other comprehensive income	As at 31 March 2023
Property, plant and equipment	6.41	(15.88)	-	(9.47)
Right of use assets	(45.02)	4.58	-	(40.44)
Provision for gratuity and compensated absences	1.38	1.87	0.14	3.38
6% Debentures	8.51	(1.48)	-	7.03
Financial assets measured at amortised cost	(2.68)	0.06	-	(2.62)
Provision for trade receivables and other advances	4.36	-	-	4.36
Lease liabilities	42.34	(1.76)	-	40.58
Total	15.30	(12.63)	0.14	2.81



GSTP (HFS) PRIVATE LIMITED

[Signature]

Director

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[Signature]

Director

GSTP (HFS) Private Limited
Standalone Significant accounting policies and other explanatory information as at and for the year ended 31 March 2023

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

34 Leases
Leases under Ind AS 116 for the year ended 31 March 2024

(i) The detail of the right-of-use assets held by the Company is as follows:

	Net carrying amount as at 31 March 2024	Net carrying amount as at 31 March 2023	Net carrying amount as at 1 April 2022
Factory Building	223.08	236.48	246.75
Total	223.08	236.48	246.75

(ii) The detail of lease liability:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	236.48	246.75
Add: Interest expense accrued on lease liabilities	23.09	24.21
Less: Lease liabilities paid	36.49	34.48
Closing balance	223.08	236.48
Current	16.36	13.41
Non current	206.72	223.07

(iii) Amount recognised in statement of profit and loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on leases liability	23.09	24.21
Depreciation on right-of-use assets	26.68	26.68
Expenses related to short term lease (included under other expenses)	100.00	-
Expenses related to low value lease (included under other expenses)	18.00	-
Interest Income on Security Deposits	(1.09)	(0.98)
	166.68	49.91

(iv) Amount recognised in statement of cash flow

	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash outflow for leases	36.49	34.48
	36.49	34.48

(v) The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2022 is 10%

(vi) Lease - As a lessee

	Net carrying amount as at 31 March 2024	Net carrying amount as at 31 March 2023	Net carrying amount as at 1 April 2022
Payable within one year	16.36	13.41	10.27
Payable between one and five years	95.58	82.93	70.07
Payable later than five years	111.14	140.14	166.41
	223.08	236.48	246.75

35. Contingent liabilities and commitments
A. Contingent liabilities

	Net carrying amount as at 31 March 2024	Net carrying amount as at 31 March 2023	Net carrying amount as at 1 April 2022
Guarantee Issued By Bank	9.50	9.50	4.50
Total	9.50	9.50	4.50


GSTP (HFS) PRIVATE LIMITED
Director
GSTP (HFS) PRIVATE LIMITED
Director

GSTP (HFS) Private Limited

Standalone Significant accounting policies and other explanatory information as at and for the year ended 31 March 2023

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

B. Commitments

- a. **Capital commitments:** The Company does not have any Capital commitments as on March 31, 2024 (March 31, 2023 : NIL, April 01, 2022 : NIL)
- b. **Other commitments:** The Company does not have any long term commitments / contracts including derivative contracts for which there will be any material foreseeable losses.(March 31, 2023 : NIL, April 01, 2022 : NIL).
- c. **Lease commitments:** Refer note 34 in respect of commitment with regard to leases.

36. Earning per share**Basic and diluted earning per share**

Basic and diluted earning per share is calculated by dividing the profit during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding during the year.

	Unit	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit after tax attributable to equity shareholders	(INR in lakhs)	1,188.83	135.80
Weighted average number of equity shares outstanding during the year	(in number)	1,780,000	1,292,329
Nominal value per share	INR	10.00	10.00
Basic and diluted earnings per share	INR	66.79	10.51



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) Private Limited**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024**

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

37. Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of employee benefits as defined in the Standard are given below:

A. Defined contribution plans

The Company has recognised the following amounts in the statement of profit and loss:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Employer's contribution to provident fund	10.68	7.67
Employer's contribution to employees' state insurance	2.97	2.35

B. Defined benefit plans**Gratuity:**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(i) The following table set out the status of the defined benefit obligation

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Net defined benefit liability- gratuity	24.74	14.41	6.37
Total employee benefit liabilities	24.74	14.41	6.37
Non current	24.74	14.41	6.37
Current	-	-	-

(ii) Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components

	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning of the year	14.41	6.37
Current service cost	9.39	6.76
Interest cost	1.08	0.46
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	1.20	(0.59)
- experience adjustments	(1.34)	1.41
Balance at the end of the year	24.74	14.41

(iii) The company does not have any planned asset investments to fund its defined benefit obligation.

(iv) Expense recognized in profit or loss

	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	9.39	6.76
Interest cost	1.08	0.46
Total	10.47	7.22

(v) Remeasurements recognized in other comprehensive income

	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial loss on defined benefit obligation	0.14	(0.82)
Total	0.14	(0.82)

(vi) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Financial assumptions (p.a.)			
Discount rate	7.21%	7.49%	7.26%
Future salary growth	12.50%	12.50%	12.50%
Retirement age	58 Years	58 Years	58 Years
Demographic assumptions			
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate	5.00%	5.00%	5.00%



GSTP (HFS) PRIVATE LIMITED

Director

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Director

GSTP (HFS) Private Limited
Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

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

(vii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Description	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Impact of change in discount rate			
Present value of obligation at the end of the year			
- Impact due to increase of 1.00 %	20.78	12.18	5.33
- Impact due to decrease of 1.00 %	29.72	17.21	7.68
Impact of change in salary increase			
Present value of obligation at the end of the year			
- Impact due to increase of 1.00 %	29.21	17.12	7.63
- Impact due to decrease of 1.00 %	20.82	12.19	5.34

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown.

(viii) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

	As at 31 March 2024	As at 31 March 2023	As at 01 April 2022
Year 1	0.02	0.01	0.01
Year 2	0.20	0.02	0.01
Year 3	0.53	0.18	0.01
Year 4	1.30	0.41	0.11
Year 5	0.83	0.93	0.24
Year 6 to 10	5.57	4.74	1.95
Above 10 Years	105.88	62.82	28.36

C. Risk exposure

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

(i) Interest risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

(ii) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iii) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

D. Other long term benefits:

Compensated absences recognised in the Statement of profit and loss for the current year, under the employee cost in Note 29, is INR (17.95 lakhs) (31 March 2023: INR 3.65 lakhs).



GSTP (HFS) PRIVATE LIMITED

[Signature]

Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) Private Limited**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024**

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

38. Segment reporting**A. Basis for segmentation**

The Company is primarily engaged in the business of manufacturing and selling seamless tubes & pipes. these, in the context of Ind - AS 108 is considered to constitute one single reportable segment. Accordingly, disclosures under Ind AS 108, Operating Segments are not required to be made.

B. Geographical information

(i) Geographical revenue is allocated based on the location of the customers. Information regarding geographical revenue is as follows

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
- India	9,551.89	10,491.46
-Outside India	654.33	27.89
	<u>10,206.22</u>	<u>10,519.35</u>

(ii) Assets:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
- India	6,220.97	4,157.86	3,718.23
-Outside India	199.15	-	-
	<u>6,420.12</u>	<u>4,157.86</u>	<u>3,718.23</u>

C. Major customers

Revenue from two customers (31 March 2023: two customers) have contributed in more than 10 percent of the total revenue amounting to Rs. 8,143.47 lakhs (31 March 2023: Rs. 8,784.82 lakhs).



GSTP (HFS) PRIVATE LIMITED


Director

GSTP (HFS) PRIVATE LIMITED

Director

39 Related Party Disclosures: 31 March 2024
 In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

39.01 Names of related parties and description of relationship as identified and certified by the Company:

Ultimate Holding Company

P N S Business Private Limited, India

Holding Company

Global Seamless Tubes & Pipes Private Limited, India

Fellow-Subsidiary Company

Global Seamless Tubes & Pipes Inc., U.S.A.

Entities under common control

Competent Synergies Private Limited, India

Americal Inc., USA

Fusion BPO Services Limited, Canada

O'Curran Inc., USA

Fusion CX Private Limited, India (Formerly Xplore-Tech Services Private Limited)

Window Technologies Private Limited, India

Key Management Personnel (KMP)

Pankaj Dhanuka, Director

Shivika Dhanuka, Director

Dipti Kedia, Director

Alok Ranjan Biswas, Director

Richa Lath, Company Secretary

Relative of Key Management Personnel (KMP) (with whom transaction has taken place)

Babu Lal Dhanuka Family Trust

Neeta Dhanuka

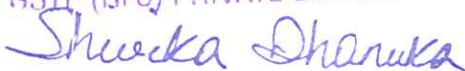
39.02 Details of transactions with related party in the ordinary course of business for the year ended:

			31-Mar-24	31-Mar-23
	Name of related party	Nature of Relationship		
(i)	Sale of Product Global Seamless Tubes & Pipes Private Limited Global Seamless Tubes & Pipes Inc.	Holding Fellow Subsidiary	5,123.90 21.11	7,251.20 -
(ii)	Job Work Charges Global Seamless Tubes & Pipes Private Limited	Holding	1,661.80	204.39
(iii)	Purchase of Product Global Seamless Tubes & Pipes Private Limited	Holding	25.94	1,592.56
(iv)	Purchase of Services Global Seamless Tubes & Pipes Private Limited	Holding	54.00	21.32
(v)	Loan Given/ Repaid P.N S Business Private Limited Pankaj Dhanuka Window Technologies Private Limited Neeta Dhanuka Babu Lal Dhanuka Family Trust	Ultimate Holding Director Entities under common control Relative of Key Management Personnel Relative of Key Management Personnel	140.85 60.02 239.01 59.43 235.48	12.00 - - - 198.50
(vi)	Loan Taken / repayment received PNS Business Private Limited Pankaj Dhanuka Window Technologies Private Limited Babu Lal Dhanuka Family Trust Neeta Dhanuka	Ultimate Holding Director Entities under common control Relative of Key Management Personnel Relative of Key Management Personnel	20.00 11.46 332.73 2.03	- - 266.01 -
(vii)	Interest Expense PNS Business Private Limited Shivika Dhanuka Window Technologies Private Limited Neeta Dhanuka Babu Lal Dhanuka Family Trust	Ultimate Holding Director Entities under common control Relative of Key Management Personnel Relative of Key Management Personnel	29.90 0.82 12.74 2.25 23.85	32.51 - 16.98 3.00 8.29
(viii)	Interest Income Alok Ranjan Biswas	Director	0.22	-

GSTP (HFS) PRIVATE LIMITED


 Director

GSTP (HFS) PRIVATE LIMITED


 Director



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(ix)	Rent Paid			
	Window Technologies Private Limited	Entities under common control	18.00	-
	Babu Lal Dhanuka Family Trust	Relative of Key Management Personnel	100.00	-
(x)	Technical consulting services			
	Ameridial Inc.	Entities under common control	139.58	30.91
	Competent Synergies Private Limited	Entities under common control	342.16	248.58
	Fusion BPO Services Ltd	Entities under common control	69.58	52.91
	O'Curran Inc.	Entities under common control	139.81	16.27
	Window Technologies Private Limited	Entities under common control	8.66	-
	Fusion CX Private Limited	Entities under common control	10.50	-

39.03 Amount due to/from related party as on 31st March 2024:

	Name of related party	Nature of Relationship	As at 31-03-2024	As at 31-03-2023	As at 01-04-2022
(i)	Trade Receivable				
	Global Seamless Tubes & Pipes Private Limited	Holding	1,592.03	69.09	855.23
	O'Curran Inc.	Entities under common control	4.19	-	-
	Window Technologies Private Limited	Entities under common control	-	2.22	2.22
(ii)	Trade Payable				
	Window Technologies Private Limited	Entities under common control	2.64	-	-
	Babu Lal Dhanuka Family Trust	Relative of Key Management Personnel	108.00	-	-
(iii)	Advance to Supplier				
	Fusion CX Private Limited	Entities under common control	1.82	1.82	1.82
(iv)	Loan Payable				
	PNS Business Private Limited	Ultimate Holding	-	60.85	55.73
	PNS Business Private Limited (6% Debentures)	Ultimate Holding	308.54	299.04	290.40
	Pankaj Dhanuka	Director	-	40.02	192.64
	Shivika Dhanuka	Director	10.74	10.00	-
	Window Technologies Private Limited	Entities under common control	-	227.55	212.27
	Babu Lal Dhanuka Family Trust	Relative of Key Management Personnel	315.15	217.91	142.95
	Neeta Dhanuka	Relative of Key Management Personnel	-	57.40	54.70
(v)	Interest Payable on 6% Debentures				
	PNS Business Private Limited	Ultimate Holding	7.65	28.75	40.39
(vi)	Security Deposit				
	Global Seamless Tubes & Pipes Private Limited	Holding	195.00	195.00	195.00

39.04 All the transactions have been entered on arm's length basis.

Terms and conditions

- (i) The loans to related party are short-term in nature and is repayable on demand at interest rates vary from 6% per annum to 9% per annum.
(ii) Goods sold and purchased from related parties during the year based on market rate and terms that would be available to third parties.
(iii) All other transactions were made on normal commercial terms and conditions and at market rates.
(iv) All outstanding balances are unsecured and repayable in cash.

40. Details of dues to micro and small enterprises as defined under the Micro Small and Medium Enterprises Development Act

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the period.			
- Principal	23.04	18.58	7.30
- Interest	-	-	-
(b) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006.	-	-	-
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-	-
(d) 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 Enterprises Development Act, 2006.	-	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting period. (net off write backs)	-	-	-
(f) The amount of further interest remaining due and payable even in the succeeding periods, 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 the Micro Small and Medium Enterprises Development Act, 2006.	-	-	-

GSTP (HFS) PRIVATE LIMITED

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Director

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[Signature]
Director



41. Financial instruments – Fair values and risk management

a) Financial instruments – by category and fair values hierarchy

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

(i) As at 31 March 2024

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Other financial assets	-	-	320.82	320.82	-	-	320.82
Current							
(i) Trade receivables	-	-	1,876.00	1,876.00	-	-	1,876.00
(ii) Cash and cash equivalents	-	-	0.39	0.39	-	-	0.39
(iii) Bank balances other than (ii) above	-	-	825.42	825.42	-	-	825.42
(iv) Loans	-	-	2.14	2.14	-	-	2.14
Total	-	-	3,024.77	3,024.77	-	-	3,024.77
Financial liabilities							
Non-current							
(i) Borrowings	-	-	678.60	678.60	-	-	678.60
(ii) Lease liabilities	-	-	206.72	206.72	-	-	206.72
Current							
(i) Borrowings	-	-	2,637.89	2,637.89	-	-	2,637.89
(ii) Lease liabilities	-	-	16.36	16.36	-	-	16.36
(iii) Trade payables	-	-	536.77	536.77	-	-	536.77
(iv) Other financial liabilities	-	-	132.61	132.61	-	-	132.61
Total	-	-	4,208.95	4,208.95	-	-	4,208.95

(ii) As at 31 March 2023

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Other financial assets	-	-	510.70	510.70	-	-	510.70
Current							
(i) Trade receivables	-	-	70.96	70.96	-	-	70.96
(ii) Cash and cash equivalents	-	-	7.25	7.25	-	-	7.25
(iii) Bank balances other than (ii) above	-	-	555.43	555.43	-	-	555.43
(iv) Loans	-	-	0.61	0.61	-	-	0.61
Total	-	-	1,144.95	1,144.95	-	-	1,144.95
Financial liabilities							
Non-current							
(i) Borrowings	-	-	829.54	829.54	-	-	829.54
(ii) Lease liabilities	-	-	223.07	223.07	-	-	223.07
Current							
(i) Borrowings	-	-	1,563.07	1,563.07	-	-	1,563.07
(ii) Lease liabilities	-	-	13.41	13.41	-	-	13.41
(iii) Trade payables	-	-	382.00	382.00	-	-	382.00
(iv) Other financial liabilities	-	-	117.89	117.89	-	-	117.89
Total	-	-	3,128.98	3,128.98	-	-	3,128.98



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) Private Limited

Standalone Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024
(All amounts are in INR lakhs, unless otherwise stated)

As at 1 April 2022

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Other financial assets	-	-	520.84	520.84	-	-	520.84
Current							
(i) Trade receivables	-	-	990.97	990.97	-	-	990.97
(ii) Cash and cash equivalents	-	-	1.53	1.53	-	-	1.53
(iii) Bank balances other than (ii) above	-	-	312.48	312.48	-	-	312.48
(iv) Loans	-	-	0.11	0.11	-	-	0.11
Total	-	-	1,825.93	1,825.93	-	-	1,825.93
Financial liabilities							
Non-current							
(i) Borrowings	-	-	960.31	960.31	-	-	960.31
(ii) Lease liabilities	-	-	236.48	236.48	-	-	236.48
Current							
(i) Borrowings	-	-	1,168.95	1,168.95	-	-	1,168.95
(ii) Lease liabilities	-	-	10.27	10.27	-	-	10.27
(iii) Trade payables	-	-	763.48	763.48	-	-	763.48
(iv) Other financial liabilities	-	-	123.38	123.38	-	-	123.38
Total	-	-	3,262.87	3,262.87	-	-	3,262.87

(i) The Company held the following assets and liabilities measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique

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

Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

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

(ii) The Company's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

(iii) The carrying amounts of loans, trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature.

(iv) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2024 and 31 March 2023 and 1 April 2022.

b) Financial risk management

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

The Company is exposed to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk - Foreign exchange
- Market risk - Interest rate
- Market risk - Price risk

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 board of directors have authorised senior management to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. 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.



GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) Private Limited**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024**

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

41 Financial risk management**(i) Credit risk**

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Trade receivables	1,876.00	70.96	990.97
Loans	2.14	0.61	0.11
Other financial assets	320.82	510.70	520.84

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 receivables from customers.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates. The Company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company's exposure to credit risk for trade receivables is as follows:

	Gross carrying amount		
	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
1-180 days past due *	1,813.63	29.03	1,014.04
181 to 365 days past due	49.24	65.12	-
More than 365 days past due #	13.13	2.22	2.34
	1,876.00	96.37	1,016.38

* The Company believes that the amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour.

The Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due.

Movement in the loss allowance in respect of trade receivables:

	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 1 April 2022
Balance at the beginning of the year	25.41	25.41	-
Impairment loss recognised	-	-	-
Balance at the end of the year	25.41	25.41	25.41



GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) PRIVATE LIMITED

Director

GSTP (HFS) Private Limited
Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024

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

a. Financial risk management (continued)
(ii) Liquidity risk

Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of illiquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable us to meet our payment obligations.

The Company's finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date on undiscounted basis.

As at 31 March 2024	Carrying amount	Contractual cash flows			
		Less than 1 year	Between 1 to 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings (including current maturities)	863.95	185.35	678.60	-	863.95
Lease liabilities (including current)	223.08	16.36	95.58	111.14	223.08
Current liabilities					
Borrowings	2,452.54	2,452.54	-	-	2,452.54
Trade payables	536.77	19,810.38	-	-	19,810.38
Other financial liabilities	132.61	508.68	-	-	508.68
Total	4,209.46	22,973.31	774.18	111.14	23,858.62

As at 31 March 2023	Carrying amount	Contractual cash flows			
		Less than 1 year	Between 1 to 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings (including current maturities)	954.30	124.76	2,787.45	-	2,912.21
Lease liabilities (including current)	236.48	13.41	82.93	140.14	236.48
Current liabilities					
Borrowings	1,438.31	1,438.31	-	-	1,438.31
Trade payables	382.00	382.00	-	-	382.00
Other financial liabilities	117.89	117.89	-	-	117.89
Total	3,128.98	2,076.37	2,870.38	140.14	5,086.88

As at 1 April 2022	Carrying amount	Contractual cash flows			
		Less than 1 year	Between 1 to 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings (including current maturities)	1,042.66	82.35	960.31	-	1,042.66
Lease liabilities (including current)	246.75	10.27	70.07	166.41	246.75
Current liabilities					
Borrowings	1,086.60	1,086.60	-	-	1,086.60
Trade payables	763.48	763.48	-	-	763.48
Other financial liabilities	123.38	123.38	-	-	123.38
Total	3,262.86	2,066.08	1,030.38	166.41	3,262.86



GSTP (HFS) PRIVATE LIMITED

Director

 GSTP (HFS) PRIVATE LIMITED
 Shweta Dhanuka
 Director

b) Financial risk management (continued)

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: foreign currency risk, interest rate risk and price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a. Foreign currency risk

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	Currency	Hedged / Unhedged	31 March 2024 INR	31 March 2023 INR	1 April 2022 INR
Financial assets	USD	Unhedged	199.15	-	-
Financial liabilities	USD	Unhedged	-	-	-
Net exposure to foreign currency risk (liabilities)			199.15	-	-

Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	31 March 2024 INR	31 March 2023 INR	1 April 2022 INR
USD sensitivity			
INR/USD- increase by 5% (31 March 2023 & 1 April 2022: nil)*	9.96	-	-
INR/USD- decrease by 5%(31 March 2023 & 1 April 2022: nil)*	(9.96)	-	-

* Holding all other variables constant

b. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans from banks/ financial institutions carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Non-current borrowing (including current maturities)	863.95	954.30	1,042.66
Current borrowing	2,452.54	1,438.31	1,086.60
Lease Liabilities	223.08	236.48	246.75
Total	3,539.57	2,629.09	2,376.01

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Interest on term loans from banks	Profit or (loss)	
	100 bps increase	100 bps decrease
For the year ended 31 March 2024	30.84	(30.84)
For the year ended 31 March 2023	25.03	(25.03)

c. Price Risk

The Company does not have any financial instrument which exposes it to price risk.



GSTP (HFS) PRIVATE LIMITED

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Director

GSTP (HFS) PRIVATE LIMITED

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Director

GSTP (HFS) Private Limited**Significant accounting policies and other explanatory information as at and for the year ended 31 March 2024**

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

42. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024.

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Borrowings	3,316.49	2,392.61	2,129.26
Less : Cash and cash equivalent	(0.39)	(7.25)	(1.53)
Adjusted net debt (A)	3,316.10	2,385.36	2,127.73
Total equity (B)	1,814.06	625.11	352.79
Adjusted net debt to equity ratio (A/B)	182.80%	381.59%	603.12%

Net debt reconciliation

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Current borrowings	2,452.54	1,438.31	1,086.60
Non-current borrowings (including current maturities and interest accrued)	863.95	954.30	1,042.66
Lease liability	223.08	236.48	246.75
Cash and cash equivalents	(0.39)	(7.25)	(1.53)
Net debt	3,539.18	2,621.84	2,374.48

Particulars	Current borrowings	Non-current borrowings (including current maturities and interest accrued)	Lease liability	Cash and cash equivalents	Total
Net debt as at 01 April 2022	1,086.60	1,042.66	246.75	1.53	2,374.48
Cash flows	351.71	(88.36)	(10.27)	5.72	247.36
Finance cost	110.13	102.25	24.21		236.59
Interest cost paid	(110.13)	(102.25)	(24.21)		(236.59)
Net debt as on 31 March 2023	1,438.31	954.30	236.48	7.25	2,621.84
Cash flows	1,014.23	(90.35)	(13.40)	(6.86)	917.34
Finance cost	187.56	113.09	23.09		323.74
Interest paid	(187.56)	(113.09)	(23.09)		(323.74)
Net debt as on 31 March 2024	2,452.54	863.95	223.08	0.39	3,539.18

Loan covenants

In case of variable rate borrowing facility availed by the Company, there are various financial covenants, i.e. the externally imposed capital requirements, which are standard in nature; mainly relating to leverage, debt service coverage ratio and asset coverage ratio specified in the loan agreements. These covenants are monitored by the Company on a regular basis.

**GSTP (HFS) PRIVATE LIMITED**

Director
GSTP (HFS) PRIVATE LIMITED

Director

43 Financial ratios

Ratios	Measurement unit	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Difference %	Remarks
				Ratio	Ratio		
Current ratio	in times	Total current assets	Current liabilities = Total current liabilities - current maturities of non current borrowings and lease liabilities	1.21	0.93	30%	Note (d) below
Debt-equity ratio	in times	Total debt [Non-current borrowings + Current borrowings]	Net equity = Total equity - capital reserve	1.83	3.83	-52%	Note (a) below
Debt service coverage ratio	in times	Earnings before depreciation and amortisation and interest [Earnings = Profit after tax + Depreciation and amortisation expense + Finance costs (excluding interest on lease liabilities)]	Interest expense (including capitalised) + Principal repayment (including prepayments)	3.50	1.40	151%	Note (e) below
Return on equity ratio	(%)	Profit after tax	Average of total equity	97.48%	27.77%	251%	Note (b) below
Inventory turnover ratio	in times	Costs of materials consumed	Average inventories	5.07	9.57	-47%	Note (c) below
Trade receivables turnover ratio	in times	Revenue from operations	Average trade receivables	10.48	19.81	-47%	Note (f) below
Trade payables turnover ratio	in times	Purchases	Average trade payables	15.24	17.07	-11%	Note (g) below
Net capital turnover ratio	in times	Revenue from operations	Working capital [Current assets - Current liabilities]	19.78	(34.17)	-158%	Note (d) below
Net profit ratio	(%)	Profit after tax	Revenue from operations	11.65%	1.29%	802%	Note (e) below
Return on capital employed	(%)	PBIT = Profit before tax + finance cost	Capital employed [Total Equity - capital reserve+ non- current borrowing+ current borrowing]	34.30%	14.08%	144%	Note (b) below
Return on investment	(%)	Profit after tax	Equity share capital + Instruments entirely equity in nature + Securities premium	226.87%	25.92%	775%	Note (b) below

Reason for variation of more than 25%

- During the current financial year, there has been no significant change in the capital account but net profit has increased on account of increased profits during the year on account of increased operational margins. Additionally, the debt of the company has also increased by Rs. 923.88 Lakhs during the year. On account of these changes during the year, the debt-equity ratio of the company has reduced to 1.83 times.
- (a) The variation in the return on equity, return of capital employed & return on investment is mainly on account of increased in Profit during the year (as mentioned in note (a) above), while there has been no significant change in the capital account.
- (b) The cost of material consumed has reduced during the current financial year on account of increased in margin, however, there is no major variation in the average inventories of the current and previous financial year. Accordingly, the inventory turnover ratio has reduced significantly for the current year.
- (c) During the current financial year, the company is having working capital surplus, since the current assets exceeds the current liabilities of the company, as a result the net capital turnover ratio has gone positive for the current year.
- (d) During the current financial year, there has been no significant change in the capital account but net profit has increased on account of increased profits during the year on account of increased operational margins.
- (e) During the current financial year, there has been no significant change in the Revenue from Operation, however, there is a major variation in the average trade receivable of the current and previous financial year. Accordingly, the trade receivable turnover ratio has reduced significantly for the current year.
- (f) Since the change in ratio is less than 25%, no explanation is required to be disclosed.
- (g)



GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

GSTP (HFS) PRIVATE LIMITED

[Signature]
Director

44. Details related to borrowings secured against current assets

The Company has given current assets as security for borrowings obtained from banks. The Company has duly submitted the required information with the banks on regular basis and the required reconciliation is presented below:

Name of bank	Quarter ended	Particulars of Security provided	Amount as per books of account (*)	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
All banks	31st March' 2024	Inventory <u>Add:</u> Trade Receivables (less than 90 days) <u>Add/(Less):</u>	2,582.14	2,545.30	36.84	Refer note (a) and (b)
	31 December 2023		2,505.72	2,557.62	(51.90)	Refer note (a) and (b)
	30 September' 2023		2,593.00	2,180.86	412.14	Refer note (a) and (b)
	30 June' 2023		2,292.18	1,960.14	332.04	Refer note (a) and (b)
	31st March' 2023	Advance to Suppliers (net off)	1,798.06	1,771.67	26.39	Refer note (a) and (b)
	31 December' 2022		2,367.82	1,850.76	517.06	Refer note (a) and (b)
	30 September' 2022		3,535.96	2,726.81	809.15	Refer note (a) and (b)
	30 June' 2022		3,672.47	1,984.15	1,688.32	Refer note (a) and (b)

* Previous year figures are pre merger numbers

(a) Variation is owing to the fact that submission to the banks were made before financial reporting closure process.

(b) The trade receivable balances in information disclosed to banks do not include balances which are overdue for a period of more than 90 days and also the balances which has been discounted with the banks by the Company.

45. Other Statutory Information

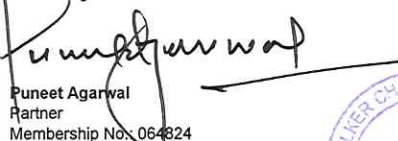
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Company does not have any transactions with struck off companies.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- The provisions of Corporate Social Responsibility prescribed by the Companies Act, 2013 is not applicable to the company for the current financial year.

46. The standalone financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor, Sanjay Modi & Co., who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 02 September 2023.

47. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 1 April 2023. The Company has used accounting software for maintenance of its books of account which has a feature of recording audit trail (edit log) facility except that the audit trail feature was not operative from period 1 April 2023 to 13 September 2023. The Company has migrated to an updated version of the accounting software from 13 September 2023 onwards where the audit trail is inherent feature and user cannot disable the edit log. Audit trail for the Company was enabled on 13th September 2023.

48. Previous year figures have been regrouped / reclassified to confirm to the current year's classification.

For Walker Chandniok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013


Puneet Agarwal
Partner
Membership No: 064824
Place: Kolkata
Date: 23 August 2024



For and on behalf of the Board of Directors of
GSTP (HFS) Private Limited
CIN: U29304WB2019PTC234427


Alok Ranjan Biswas
Director
DIN: 08428269
Place: Kolkata
Date: 23 August 2024


Shivika Dhanuka
Director
DIN: 07203053
Place: Kolkata
Date: 23 August 2024