

# **JAI AUTOMOTIVE COMPONENTS LIMITED**

CIN: U34102MP2019PLC050243

Registered Office: Plot No. 37, 38 and 39, Smart City Industrial Park Near  
Natrip, District Dhar, Madhya Pradesh- 474775

**FY 2023-24**

## **Independent Auditor's Report**

### **To the Members of Jai Automotive Components Limited**

#### **Report on the Audit of the Financial Statements**

#### **Opinion**

1. We have audited the accompanying financial statements of Jai Automotive Components Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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.

#### **Other Information**

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's 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 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 and those charged with governance for the financial statements**

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## INDEPENDENT AUDITOR'S REPORT

To the Members of Jai Automotive Components Limited  
Report on audit of the Financial Statements  
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9. 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.
10. 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.

### **Other Matter**

11. The financial statements of the Company for the year ended March 31, 2023, were audited by another firm of chartered accountants under the Act who, vide their report dated May 27, 2023 expressed an unmodified opinion on those financial statements.

### **Report on other legal and regulatory requirements**

12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, 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 that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India other than certain books of account for which backup has been maintained from September 1, 2023 to March 31, 2024, and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Rules.
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - (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, 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;

INDEPENDENT AUDITOR'S REPORT

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- ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 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 March 31, 2024.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year.
  - vi. Based on our examination, the Company has used 2 accounting software for maintaining its books of account. In respect of one software, the company is in the process of establishing necessary controls and maintaining documentation regarding audit trail and the other software does not have the feature of audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.
14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Abhishek Rara  
Partner  
Membership Number: 077779  
UDIN: 24077779BKEHVD9667

Place: Gurugram  
Date: May 24, 2024

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Jai Automotive Components Limited on the financial statements for the year ended March 31, 2024  
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### **Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls with reference to financial statements of Jai Automotive Components Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

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 Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 was 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 system 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 includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the

## **Annexure A to Independent Auditor's Report**

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of Jai Automotive Components Limited on the financial statements for the year ended March 31, 2024  
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company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls 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, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Abhishek Rara  
Partner  
Membership Number: 077779  
UDIN: 24077779BKEHVD9667

Place: Gurugram  
Date: May 24, 2024

## Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Jai Automotive Components Limited on the financial statements as of and for the year ended March 31, 2024  
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
  
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company does not own any immovable properties (Refer Note 4 to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.



## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Jai Automotive Components Limited on the financial statements for the year ended March 31, 2024

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- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products and services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii.(a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, cess, provident fund, employees' state insurance, income tax, and other material statutory dues, as applicable, with the appropriate authorities.
  - (b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
  - (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
  - (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
  - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under 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, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
  - (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
  - (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules,

## **Annexure B to Independent Auditors' Report**

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Jai Automotive Components Limited on the financial statements for the year ended March 31, 2024

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2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion and based on our examination, the Company did not have an internal audit system during the year.  
(b) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.  
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.  
(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has incurred cash losses of Rs. 765.08 lakhs in the financial year and of Rs. 380.86 lakhs in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

**Annexure B to Independent Auditors' Report**

Referred to in paragraph 12 of the Independent Auditors' Report of even date to the members of Jai Automotive Components Limited on the financial statements for the year ended March 31, 2024

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- xix. On the basis of the financial ratios (Also refer Note 39 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, 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 Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Abhishek Rara

Partner

Membership Number: 077779

UDIN: 24077779BKEHVD9667

Place: Gurugram

Date: May 24, 2024

**Jai Automotive Components Limited**  
**Balance Sheet as at March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

	Particulars	Note	As at March 31, 2024	As at March 31, 2023
A	<b>Assets</b>			
1	<b>Non-current assets</b>			
	Property, plant and equipment	4	1,990.87	1,907.53
	Capital work-in-progress	4(a)	2,161.71	900.85
	Other intangible assets	4(b)	13.73	4.51
	Right-of-use assets	37	3,130.73	3,242.70
	Financial assets			
	Other financial assets	6	23.53	22.36
	Current tax assets	11	1.60	-
	Other non-current assets	7	458.41	648.63
	<b>Non-current assets (A)</b>		<b>7,780.58</b>	<b>6,726.58</b>
2	<b>Current Assets</b>			
	Inventories	8	284.74	145.29
	Financial assets			
	Trade receivables	9	177.45	12.09
	Cash and cash equivalents	10	8.19	42.98
	Loans	5	0.27	2.43
	Other financial assets	6	5.40	4.96
	Current tax assets	11	-	0.99
	Other current assets	7	558.88	416.14
	<b>Current assets (B)</b>		<b>1,034.93</b>	<b>624.88</b>
	<b>Total Assets (A+B)</b>		<b>8,815.51</b>	<b>7,351.46</b>
B	<b>Equity and Liabilities</b>			
1	<b>Equity</b>			
	Equity share capital	12	4,963.60	4,632.00
	Other equity	13	(2,186.02)	(1,091.74)
	<b>Total equity (A)</b>		<b>2,777.58</b>	<b>3,540.26</b>
2	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	Financial liabilities			
	Borrowings	14	5,389.28	2,983.98
	Lease liabilities	37	367.45	418.84
	Other financial liabilities	15	10.37	10.37
	Long term provisions	16	18.24	29.88
	<b>Non-current liabilities (B)</b>		<b>5,785.34</b>	<b>3,443.07</b>
3	<b>Current Liabilities</b>			
	Financial liabilities			
	Lease liabilities	37	51.49	81.40
	Trade payables	17		
	- Total outstanding dues of micro and small enterprises		1.13	1.43
	- Total outstanding dues of creditors other than micro and small enterprises		47.06	30.22
	Other financial liabilities	15	105.71	56.26
	Short term provisions	16	20.11	20.51
	Other current liabilities	18	27.09	178.32
	<b>Current liabilities (C)</b>		<b>252.59</b>	<b>368.14</b>
	<b>Total Equity and Liabilities (A+B+C)</b>		<b>8,815.51</b>	<b>7,351.46</b>

The accompanying notes form an integral part of the financial statements  
As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm registration number: 012754N/N500016

For and on behalf of the Board of directors of  
**Jai Automotive Components Limited**

**Abhishek Rara**  
Partner  
Membership Number: 077779

**Hardeep Singh Gujral**  
Director  
DIN:00518705

**Shashi Bansal Bhushan**  
Director  
DIN:01118864

Place: Gurugram  
Date: May 24, 2024

**Abhishek Gupta**  
Chief Financer Officer & Company Secretary  
Place:  
Date: May 24, 2024

**Jai Automotive Components Limited**  
**Statement of Profit and Loss for the year ended March 31, 2024**

(All amounts in INR lakhs, unless otherwise stated)

	Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
	<b>Income</b>			
I	Revenue from operations	19	334.35	13.60
II	Other income	20	1.85	-
III	<b>Total Income</b>		<b>336.20</b>	<b>13.60</b>
	<b>Expenses</b>			
IV	Cost of raw materials and components consumed	22(a)	224.99	6.63
	Purchases of stock-in-trade	22(b)	146.83	-
	Changes in inventories of finished goods, work in progress and stock-in-trade	23	(161.24)	(7.73)
	Employee benefits expenses	24	271.99	168.26
	Other expenses	25	230.91	116.86
	<b>Total Expenses</b>		<b>713.48</b>	<b>284.02</b>
V	<b>Profit before finance costs/(income), depreciation and amortisation expenses and tax</b>		<b>(377.28)</b>	<b>(270.42)</b>
VI	Finance costs	26	430.55	165.79
VII	Finance income	21	2.10	1.85
	<b>Net finance costs/(income)</b>		<b>428.45</b>	<b>163.94</b>
VIII	Depreciation and amortisation expenses	27	287.68	151.35
			-	-
IX	<b>Profit before tax</b>		<b>(1,093.42)</b>	<b>(585.71)</b>
	<b>Tax expense</b>			
	Current tax		-	-
	Deferred tax charge/(credit)		-	-
	<b>Total tax expense</b>		<b>-</b>	<b>-</b>
X	<b>Profit/(Loss) for the year</b>		<b>(1,093.42)</b>	<b>(585.71)</b>
	<b>Other comprehensive income</b>			
	Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
	- Re-measurement gain /(loss) on defined benefit plans		(0.86)	7.48
	- Tax impact on above		-	-
	<b>Other comprehensive income for the year, net of tax</b>		<b>(0.86)</b>	<b>7.48</b>
	<b>Total Comprehensive income for the year</b>		<b>(1,094.28)</b>	<b>(578.23)</b>

**Earnings per equity share (par value Rs. 10 (absolute amount) per share)**

	28		
- Basic		(2.30)	(1.26)
- Diluted		(2.30)	(1.26)
[Earnings per equity share expressed in absolute amount in Indian Rupees]			

Material accounting policies

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm registration number: 012754N/N500016

For and on behalf of the Board of directors of  
**Jai Automotive Components Limited**

**Abhishek Rara**  
Partner  
Membership Number: 077779

**Hardeep Singh Gujral**      **Shashi Bansal Bhushan**  
Director                              Director  
DIN:00518705                      DIN:01118864

Place: Gurugram  
Date: May 24, 2024

**Abhishek Gupta**  
Chief Financer Officer & Company Secretary  
Place:  
Date: May 24, 2024

**Jai Automotive Components Limited**  
**Statement of Cash Flows for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	(1,093.42)	(585.71)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortization expenses	287.68	151.35
Finance costs	430.55	165.69
Finance income	(2.10)	(1.85)
Loss on sale of property, plant and equipment	-	11.72
Provisions no longer required written back	(0.18)	-
Profit on sale of property, plant and equipment	(0.04)	-
Provision for Gratuity Expenses (Net of Payment)	-	1.78
Provision for Leave Encashment Expenses (Net of Payment)	-	9.07
Provision for Long Term Service Awards (Net of Payment)	-	0.04
Provision for Benevolent Fund (Net of Payment)	-	(0.54)
Other Comprehensive Income/(Losses)	-	7.48
<b>Operating profit before working capital changes</b>	<b>(377.51)</b>	<b>(240.97)</b>
<b>Changes in operating assets and liabilities:</b>		
Increase/(decrease) in trade payables	16.72	22.87
Increase/(decrease) in provisions	(12.90)	0.00
Increase/(decrease) in other current liabilities	(151.23)	(6.52)
Proceeds from security deposit	-	5.50
Increase/(decrease) in other current financial liabilities	0.81	(21.78)
(Increase)/decrease in inventories	(139.45)	(145.29)
(Increase)/decrease in trade receivables	(165.36)	(12.09)
(Increase)/Decrease in other financial assets (Current and non-current)	0.49	-
(Increase)/decrease in loans	2.16	1.97
(Increase)/decrease in other non-current assets	3.12	(4.77)
(Increase)/decrease in other current assets	(142.74)	(220.15)
<b>Cash generated/(used) from operations</b>	<b>(965.89)</b>	<b>(621.23)</b>
Direct taxes paid/(received) (net)	(0.61)	(0.24)
<b>Net cash generated/(used) from operations</b>	<b>(966.50)</b>	<b>(621.47)</b>
<b>B. Cash flow from investing activities</b>		
Payment for purchase of property, plant and equipment/CWIP	(1,293.67)	(1,712.41)
Payment for capital advance	-	(48.02)
Proceeds from sale of property, plant and equipment	0.33	-
Payment for security deposit	-	(0.28)
Interest received (Finance income)	-	0.53
<b>Net cash generated/(used) from investing activities</b>	<b>(1,293.34)</b>	<b>(1,760.18)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from shares issued	331.60	-
(Repayment of) / Proceeds from short term borrowings (net)	-	(550.00)
Proceeds from long term borrowings	2,405.30	2,983.98
Principal payment of lease liabilities	(81.30)	(120.34)
Interest paid	(430.55)	(11.45)
<b>Net Cash From / (Used in) Financing Activities</b>	<b>2,225.05</b>	<b>2,302.19</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(34.79)</b>	<b>(79.46)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>42.98</b>	<b>122.44</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>8.19</b>	<b>42.98</b>
<b>Components of cash and cash equivalents:</b>		
Balances with scheduled banks		
- On current account	8.19	42.98
	<b>8.19</b>	<b>42.98</b>

The accompanying notes form an integral part of the financial statements  
As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm registration number: 012754N/N500016

For and on behalf of the Board of directors of  
**Jai Automotive Components Limited**

**Abhishek Rara**  
Partner  
Membership Number: 077779

**Hardeep Singh Gujral**  
Director  
DIN:00518705

**Shashi Bansal Bhushan**  
Director  
DIN:01118864

Place: Gurugram  
Date: May 24, 2024

**Abhishek Gupta**  
Chief Financer Officer & Company Secretary  
Place:  
Date: May 24, 2024

**Jai Automotive Components Limited**  
**Statement of changes in equity for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**(a) Equity share capital**

Particulars	No. of shares	Amount
<b>Opening Balance as at April 1, 2022</b>	<b>4,63,20,000</b>	<b>4,632.00</b>
Add: Changes in equity share capital	-	-
<b>Closing balance as at March 31, 2023</b>	<b>4,63,20,000</b>	<b>4,632.00</b>
Opening Balance as at April 1, 2023	4,63,20,000	4,632.00
Add: Changes in equity share capital	33,16,000	331.60
<b>Closing balance as at March 31, 2024</b>	<b>4,96,36,000</b>	<b>4,963.60</b>

**(b) Other Equity**

Particulars	Reserves and Surplus	Total
	Retained Earnings	
<b>As at April 1, 2022</b>	(513.51)	(513.51)
Add: Loss for the year	(585.71)	(585.71)
Add: Other comprehensive income	7.48	7.48
<b>As at March 31, 2023</b>	<b>(1,091.74)</b>	<b>(1,091.74)</b>
<b>As at April 1, 2023</b>	(1,091.74)	(1,091.74)
Add: Loss for the year	(1,093.42)	(1,093.42)
Less: Other comprehensive income	(0.86)	(0.86)
<b>As at March 31, 2024</b>	<b>(2,186.02)</b>	<b>(2,186.02)</b>

The accompanying notes form an integral part of the financial statements  
As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm registration number: 012754N/N500016

For and on behalf of the Board of directors of  
**Jai Automotive Components Limited**

**Abhishek Rara**  
Partner  
Membership Number: 077779

**Hardeep Singh Gujral**  
Director  
DIN:00518705

**Shashi Bansal Bhushan**  
Director  
DIN:01118864

Place: Gurugram  
Date: May 24, 2024

**Abhishek Gupta**  
Chief Financer Officer & Company Secretary  
Place:  
Date: May 24, 2024

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

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

**4(a) Property, plant and equipment**

Particulars	Leasehold Improvement	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Computer	Total	Capital work-in-progress
<b>Gross carrying amount</b>								
As at April 1, 2022	8.56	-	2.83	34.48	2.35	7.46	55.68	1,038.39
Additions	10.22	1,842.11	8.31	21.16	6.89	11.72	1,900.41	1,704.57
Disposals	-	-	-	15.85	-	-	15.85	-
Capitalisation	-	-	-	-	-	-	-	1,842.11
As at March 31, 2023	18.78	1,842.11	11.14	39.79	9.24	19.18	1,940.24	900.85
Additions	4.75	249.72	-	-	1.14	0.35	255.96	1,510.58
Disposals	-	-	-	-	-	1.01	1.01	-
Capitalisation	-	-	-	-	-	-	-	249.72
As at March 31, 2024	23.53	2,091.83	11.14	39.79	10.38	18.52	2,195.19	2,161.71
<b>Accumulated Depreciation</b>								
As at April 1, 2022	0.21	-	0.16	1.20	0.10	1.28	2.95	-
Charge for the year	7.31	9.98	2.14	6.80	2.14	4.53	32.90	-
Disposals	-	-	-	3.14	-	-	3.14	-
As at March 31, 2023	7.52	9.98	2.30	4.86	2.24	5.81	32.71	-
Charge for the year	10.45	143.05	2.61	7.37	3.18	5.68	172.34	-
Disposals	-	-	-	-	-	0.73	0.73	-
As at March 31, 2024	17.97	153.03	4.91	12.23	5.42	10.76	204.32	-
<b>Net carrying amount</b>								
As at March 31, 2024	5.56	1,938.80	6.23	27.56	4.96	7.76	1,990.87	2,161.71
As at March 31, 2023	11.26	1,832.13	8.84	34.93	7.00	13.37	1,907.53	900.85



**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**4(a) Capital Work-in-Progress (CWIP)**

(i) For Capital-work-in progress, ageing as at March 31, 2024:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	1,473.06	580.04	25.41	83.20	2,161.71
<b>Total</b>	1,473.06	580.04	25.41	83.20	2,161.71

ii) For CWIP, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024.

(iii) For Capital-work-in progress, ageing as at March 31, 2023:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress*	762.58	49.83	88.44	-	900.85
<b>Total</b>	762.58	49.83	88.44	-	900.85

iv) For CWIP, there were no projects whose completion was overdue or had exceeded its cost compared to its original plan as at March 31, 2023.

\*Includes interest capitalised amounting to Rs. Nil (March 31, 2023: Rs. 11.44 lakhs)

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**4(b) Intangible assets**

Particulars	Software	Total
<b>Gross carrying amount</b>		
As at April 1, 2022	6.01	6.01
Additions	-	-
Disposals	-	-
<b>As at March 31, 2023</b>	6.01	6.01
Additions	12.59	12.59
Disposals	-	-
<b>As at March 31, 2024</b>	18.60	18.60
<b>Accumulated amortisation</b>		
As at April 1, 2022	0.30	0.30
Charge for the year	1.20	1.20
Disposals	-	-
<b>As at March 31, 2023</b>	1.50	1.50
Charge for the year	3.37	3.37
Disposals	-	-
<b>As at March 31, 2024</b>	4.87	4.87
<b>Net carrying amount</b>		
As at March 31, 2024	13.73	13.73
As at March 31, 2023	4.51	4.51

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

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

Note	Particulars	Non-current	Current	Non-current	Current
		As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
5	<b>Loans (Unsecured, considered good unless otherwise stated)</b>				
	Advance to employees	-	0.27	-	2.43
	<b>Total</b>	<b>-</b>	<b>0.27</b>	<b>-</b>	<b>2.43</b>
6	<b>Financial assets- Other financial assets at amortised cost (Unsecured, considered good unless otherwise stated)</b>				
	Security deposits	23.53	5.40	22.36	4.96
	<b>Total</b>	<b>23.53</b>	<b>5.40</b>	<b>22.36</b>	<b>4.96</b>
7	<b>Other assets (Unsecured, considered good unless otherwise stated)</b>				
	Capital advances	456.21	-	643.31	-
	Advance to suppliers	-	2.65	-	0.43
	Prepaid expenses	2.20	6.34	5.32	6.38
	Balance with government authorities	-	549.89	-	408.16
	Other recoverable	-	-	-	1.17
	<b>Total</b>	<b>458.41</b>	<b>558.88</b>	<b>648.63</b>	<b>416.14</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

Note	Particulars	As at March 31, 2024	As at March 31, 2023
8	<b>Inventories</b>		
	Raw material and components	91.29	111.57
	Work-in-progress	25.09	-
	Finished goods	113.02	7.73
	Stock-in-trade	22.42	-
	Stores and spares	8.74	10.25
	Scrap	24.18	15.74
	<b>Total</b>	<b>284.74</b>	<b>145.29</b>
9	<b>Trade receivables</b>		
	Trade receivables from contract with customers- billed	2.78	12.09
	Trade receivables from contract with customers- unbilled	-	-
	Trade receivables from contract with customers- related parties- refer note 36	174.67	-
	Less: Loss allowance	-	-
	<b>Total Trade receivables</b>	<b>177.45</b>	<b>12.09</b>
	Current portion	177.45	12.09
	Non-current portion	-	-
	<b>Break-up of security details</b>		
	Trade receivables considered good- secured	-	-
	Trade receivables considered good- unsecured	177.45	12.09
	Trade receivables which have significant increase in credit risk	-	-
	Trade receivables- credit impaired	-	-
	<b>Total</b>	<b>177.45</b>	<b>12.09</b>
	Loss allowance	-	-
	<b>Total trade receivables</b>	<b>177.45</b>	<b>12.09</b>
	Less: Loss Allowance for unsecured, considered doubtful	-	-
	<b>Total</b>	<b>177.45</b>	<b>12.09</b>

**Trade Receivables Ageing Schedule as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
considered good	2.78	174.67	-	-	-	-	177.45
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-	-
<b>Total</b>	<b>2.78</b>	<b>174.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177.45</b>

**Trade Receivables Ageing Schedule as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
considered good	12.09	-	-	-	-	-	12.09
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-	-
<b>Total</b>	<b>12.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.09</b>

No trade receivable are due from partners or other officers of the firm either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any partner is a partner, a director or a member.

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

	Particulars	As at March 31, 2024	As at March 31, 2023
10	<b>Cash and cash equivalents</b>		
	Balance with banks		
	- In current account	8.19	42.98
	<b>Total</b>	<b>8.19</b>	<b>42.98</b>

10A

Changes in liabilities arising from financing activities				
Particulars	April 01, 2023	Cash Flows	Others*	March 31, 2024
Non-current borrowings	2,983.98	2,405.30	-	5,389.28
Trade payables	31.65	16.54	-	48.19
Lease liabilities	500.24	(123.42)	42.12	418.94
<b>Total liabilities arising from financing activities</b>	<b>3,515.87</b>	<b>2,298.42</b>	<b>42.12</b>	<b>5,856.41</b>
Particulars	April 01, 2022	Cash Flows	Others*	March 31, 2023
Non-current borrowings	-	2,983.98	-	2,983.98
Trade payables	9.23	22.42	-	31.65
Lease liabilities	555.55	(120.35)	65.03	500.24
<b>Total liabilities arising from financing activities</b>	<b>564.78</b>	<b>2,886.05</b>	<b>65.03</b>	<b>3,515.87</b>

\*Represents movement in Lease liabilities on account of additions, disposals and interest expenses.

Particulars	Non-current	Current	Non-current	Current
	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
11	<b>Current Tax Assets</b>			
Advance income tax	1.60	-	-	0.99
<b>Total</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>0.99</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

12 Equity share capital	As at March 31, 2024	As at March 31, 2023
<b>Authorised share capital</b> 5,20,00,000 (March 31, 2023: 5,20,00,000) equity shares of Rs. 10 each	5,200.00	5,200.00
<b>Total</b>	<b>5,200.00</b>	<b>5,200.00</b>
<b>Issued, subscribed and paid up equity share capital</b> Subscribed and fully paid 4,96,36,000 (March 31, 2023: 4,63,20,000) equity shares of Rs. 10 each	4,963.60	4,632.00
	<b>4,963.60</b>	<b>4,632.00</b>

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

Equity shares	As at March 31, 2024		As at March 31, 2023	
Equity shares- subscribed and fully paid up	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	4,63,20,000	4,632.00	4,63,20,000	4,632.00
Add: equity shares issued during the year	33,16,000	331.60	-	-
At the end of the year	<b>4,96,36,000</b>	<b>4,963.60</b>	<b>4,63,20,000</b>	<b>4,632.00</b>

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

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
<b>Equity shares with voting rights</b> Jamna Auto Industries Limited	4,96,36,000	100.00%	4,63,20,000	100.00%

**c. Details of shares held by promoters**

**As at March 31, 2024**

Name of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Jamna Auto Industries Limited	4,63,20,000	33,16,000	4,96,36,000	100.00%	7.16%

**As at March 31, 2023**

Name of Promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Jamna Auto Industries Limited	4,63,20,000	-	4,63,20,000	100.00%	-

**d. Term and Rights attached to equity shares**

Each shareholder is entitled to one vote per share. The Company pays and declares dividends in Indian rupees. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

Note	Particulars	As at March 31, 2024	As at March 31, 2023
<b>13</b>	<b>Other equity</b>		
	<b>Retained earnings</b>		
	Balance at the beginning of the year	(1,091.74)	(513.51)
	Add: Loss for the year	(1,093.42)	(585.71)
	Add: Remeasurement of post employment benefit obligation, net of tax (Other comprehensive income)	(0.86)	7.48
	<b>Balance at the end of the year</b>	<b>(2,186.02)</b>	<b>(1,091.74)</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

Note	Particulars	Non-current	Current	Non-current	Current
		As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
14	<b>Borrowings- Unsecured</b>				
	Loan from holding company*#- refer note 35	5,389.28	-	2,983.98	-
	<b>Total</b>	<b>5,389.28</b>	<b>-</b>	<b>2,983.98</b>	<b>-</b>

**\*Notes:**

**1. Rate of Interest:-**

The rate of interest on the above loan is 9% or 1 Year MCLR + 0.65% spread per annum, which ever is higher.

**2. Terms of Repayment**

The loan from the holding company amounting to Rs. 4,878.98 lakhs (March 31, 2023: Rs. 2,983.98 lakhs) is repayable on demand, 2 years after the commencement of the commercial production. Interest payment shall start quarterly after 12 months from start of commercial production. Commencement of the commercial production is not expected in the next 12 months from March 31, 2024.

#The above loan amount includes interest accrued amounting to Rs. 510.30 lakhs (March 31, 2023: Nil)



**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

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

Note	Particulars	Non-current	Current	Non-current	Current
		As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
15	<b>Financial liabilities- Other financial liabilities</b>				
	Security deposits	10.37	-	10.37	-
	Employee benefits payable	-	1.26	-	0.45
	Creditors for purchase of property, plant and equipment#	-	104.45	-	55.81
	<b>Total</b>	<b>10.37</b>	<b>105.71</b>	<b>10.37</b>	<b>56.26</b>
16	<b>Provisions</b>				
	<b>Provision for employees benefits</b>				
	Provision for leave encashment*	-	19.81	-	19.98
	Provision for long service award	0.22	-	0.17	-
	Provision for benevolent fund	1.33	0.21	1.47	0.20
	Provision for gratuity- refer note 29	16.69	0.09	28.24	0.33
	<b>Total</b>	<b>18.24</b>	<b>20.11</b>	<b>29.88</b>	<b>20.51</b>

#includes Rs. 41.37 lakhs (March 31, 2023 : Rs. 7.70 lakhs) outstanding towards dues of MSME as per MSMED Act, 2006

**\*Notes:**

1. The entire amount of provision of Rs. 19.81 lakhs (March 31, 2023: Rs. 19.98 lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within next 12 months.
2. Provision for leave encashment not expected to be settled within next 12 months is Rs. 0.87 lakhs (March 31, 2023: Rs. 1.05 lakhs).

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

Note	Particulars	As at March 31, 2024	As at March 31, 2023
17	<b>Trade payables</b>		
	- total outstanding dues of micro and small enterprises	1.13	1.43
	- total outstanding dues of creditors other than micro and small enterprises	47.06	30.22
	<b>Total</b>	<b>48.19</b>	<b>31.65</b>

**Trade payables Ageing Schedule**

As at March 31, 2024	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro and small enterprises	1.13	-	-	-	-	1.13
Undisputed dues of creditors other than micro and small enterprises	35.22	0.33	-	-	-	35.55
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Add: Unbilled dues	-	-	-	-	-	11.51
<b>Total</b>	<b>36.35</b>	<b>0.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48.19</b>

As at March 31, 2023	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro and small enterprises	1.43	-	-	-	-	1.43
Undisputed dues of creditors other than micro and small enterprises	10.51	-	0.34	-	-	10.85
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Add: Unbilled dues	-	-	-	-	-	19.37
<b>Total</b>	<b>11.94</b>	<b>-</b>	<b>0.34</b>	<b>-</b>	<b>-</b>	<b>31.65</b>

Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 and March 31, 2022 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

Particulars	As at March 31, 2024	As at March 31, 2023
i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end;*	42.50	9.13
ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end;	-	-
iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year;	-	-
iv) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year;	-	-
v) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	-	-
vi) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
vii) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

\*includes Rs. 41.37 lakhs (March 31, 2023 : Rs. 7.70 lakhs) outstanding towards dues of creditors for purchase of property, plant and equipment (refer note 15).

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other current liabilities</b>		
Advances from customers	0.04	0.04
Statutory dues payable	25.20	17.21
Other payables	1.85	161.07
<b>Total</b>	<b>27.09</b>	<b>178.32</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

Note	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
19	<b>Revenue from operations</b>		
	Sale of products- finished goods	127.06	-
	Sale of services	49.15	10.79
	Traded goods	146.36	-
	Other operating revenue - scrap sale	11.78	2.81
	<b>Revenue from operations</b>	<b>334.35</b>	<b>13.60</b>
20	<b>Other income</b>		
	Profit on sale of property, plant and equipment	0.04	-
	Provisions no longer required written back	0.18	-
	Miscellaneous income	1.63	-
		<b>1.85</b>	-
21	<b>Finance income</b>		
	Unwinding of discount on security deposits	2.10	1.85
		<b>2.10</b>	<b>1.85</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

Note	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
22(a)	<b>Raw materials and components consumed</b>		
	Inventory at the beginning of the year	111.57	-
	Add: Purchases during the year	204.71	118.20
	Less: Inventory at the end of the year	91.29	111.57
	<b>Cost of materials consumed</b>	<b>224.99</b>	<b>6.63</b>
22(b)	<b>Purchases of stock-in-trade</b>		
	Purchases during the year	146.83	-
	<b>Total</b>	<b>146.83</b>	<b>-</b>
23	<b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
	<b>Inventories at the end of year</b>		
	- Finished goods	113.02	7.73
	- Work-in-progress	25.09	-
	- Stock-in-trade	22.42	-
	- Scrap	24.19	-
	<b>Total</b>	<b>184.72</b>	<b>7.73</b>
	<b>Inventories at the beginning of year</b>		
	- Finished goods	7.73	-
	- Work-in-progress	-	-
	- Stock-in-trade	-	-
	- Scrap	15.75	-
	<b>Total</b>	<b>23.48</b>	<b>-</b>
	<b>Increase in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>(161.24)</b>	<b>(7.73)</b>
24	<b>Employee benefits expenses</b>		
	Salaries, wages and bonus	244.33	152.35
	Contribution to provident and other funds- refer note 29	15.36	7.32
	Gratuity expense- refer note 29	8.50	6.78
	Staff welfare expenses	3.80	1.81
	<b>Total</b>	<b>271.99</b>	<b>168.26</b>
25	<b>Other expenses</b>		
	Consumption of stores and spares	40.90	2.27
	Power and fuel	44.51	4.67
	Rent	4.89	0.21
	Repair and maintenance		
	- buildings	0.08	0.28
	- plant and machinery	2.17	0.49
	- others	1.64	1.95
	Rates and taxes	1.93	2.06
	Travelling and conveyance	29.25	8.32
	Legal and professional	17.55	14.06
	Payment made to auditors- refer note 33	5.00	6.31
	Loss on disposal of property, plant and equipment (net)	-	11.72
	Freight, forwarding and packing	2.99	0.35
	Sales promotion and advertisement	2.95	1.26
	Security charges	27.29	21.66
	Insurance	1.01	-
	Printing, stationery and communication	2.88	0.86
	Business support services	32.90	27.91
	Bank charges	0.04	0.09
	Miscellaneous expenses	12.93	12.39
	<b>Total</b>	<b>230.91</b>	<b>116.86</b>
26	<b>Finance costs</b>		
	Interest on borrowing and others* {including related party - refer note 36}	388.43	114.68
	Interest on lease liability- refer note 37	42.12	51.11
		<b>430.55</b>	<b>165.79</b>
27	<b>Depreciation and amortisation expenses</b>		
	*net of interest capitalised of Rs. Nil (March 31, 2023: Rs. 55.45 lakhs)		
	Depreciation on property, plant and equipment- refer note 4(a)	172.34	32.90
	Depreciation on right-of-use assets- refer note 37	111.97	117.25
	Amortisation on intangible assets- refer note 4(b)	3.37	1.20
	<b>Total</b>	<b>287.68</b>	<b>151.35</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**28 Earnings per share (EPS)**

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding as at year end.

The following reflects the income and weighted average equity shares data used in the basic and diluted EPS computations:

Particulars	March 31, 2024	March 31, 2023
Calculation of weighted average number of equity shares of Rs. 10 each		
Net profit after tax	(1,093.42)	(585.71)
Net profit for the period attributable to equity shares	(1,093.42)	(585.71)
Weighted average number of equity shares during the period in calculating basic EPS	4,74,74,251	4,63,20,000
Weighted average number of equity shares during the period in calculating diluted EPS	4,74,74,251	4,63,20,000
Basic EPS (in Rs.)	(2.30)	(1.26)
Diluted EPS (in Rs.)*	(2.30)	(1.26)

\*There are no potential dilutive equity shares.

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**29 Employee benefits**

**Defined contribution plan**

The Company provides provident fund benefits for eligible employees as per applicable regulations wherein both employees and the Company make monthly contributions at a specified percentage of the eligible employee's salary. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period. The expense recognised during the period towards defined contribution plan is Rs. 15.36 lakhs (March 31, 2023: Rs. 7.32 lakhs).

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Contribution to Employee state insurance	0.42	0.01
Contribution to Provident fund	14.94	7.31
<b>Total</b>	<b>15.36</b>	<b>7.32</b>

**Defined benefit plans**

**Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees as per The Payment of Gratuity Act, 1972. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on a year-end actuarial valuation. The scheme of Gratuity is unfunded.

**Long service award**

Under long term service award, the employee is entitled to a fixed amount on completion of ten years and fifteen years of service. The scheme of long term service award is unfunded.

**(a) The following table summarize the unfunded status of the gratuity plans and the amount recognized in the company's financial statements:**

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Change in benefit obligation</b>		
Opening defined benefit obligation	28.58	26.79
Acquisition adjustment	(20.40)	-
Service cost	6.23	7.29
Interest expenses	2.11	1.98
Benefits paid	(0.60)	-
Remeasurements - Actuarial (Gains)/ loss	0.86	(7.48)
<b>Closing defined benefit obligation</b>	<b>16.78</b>	<b>28.58</b>

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Change in plan assets</b>		
Opening fair value of plan assets	-	-
Expected return on plan assets	-	-
Contributions by employer	-	-
Benefits paid	-	-
Remeasurements - Actuarial Gains/ (loss)	-	-
<b>Closing fair value of plan assets</b>	<b>-</b>	<b>-</b>

Particulars	As at	
	March 31, 2024	March 31, 2023
Present value of defined benefit obligations at the end of the year (A)	16.78	28.58
Fair value of plan assets at the end of the year (B)	-	-
<b>Net liability recognized in the balance sheet (A-B)</b>	<b>16.78</b>	<b>28.58</b>
<b>Current portion</b>	<b>0.09</b>	<b>0.33</b>
<b>Non- Current portion</b>	<b>16.69</b>	<b>28.24</b>

(b) Major categories of plan assets	As at	
	March 31, 2024	March 31, 2023
Funds Managed by Insurer	0%	0%

**(c) Amount recognized in the statement of profit and loss under employee benefit expenses:**

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Service cost	6.23	7.29
Net interest on the net defined benefit liability/ (asset)	2.11	1.98
<b>Net gratuity cost*</b>	<b>8.34</b>	<b>9.27</b>

\* Includes amount capitalised amounting to Rs. Nil (March 31, 2023: Rs. 4.67 lakhs)

**(d) Amount recognized in the statement of other comprehensive income:**

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
<b>Remeasurements of the net defined benefit liability/ (assets)</b>		
Actuarial (gain)/ loss	0.86	(7.48)
(Return)/ loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/ (assets)	-	-
<b>Total</b>	<b>0.86</b>	<b>(7.48)</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

(e) Amounts recognised in the statement of other comprehensive income as follows:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial loss/(gain) on arising from change in financial assumption	0.38	(0.05)
Actuarial loss on arising from experience adjustment	0.48	(7.43)
Actuarial loss on asset for the year	-	-
<b>Total</b>	<b>0.86</b>	<b>(7.48)</b>

(f) The principal assumptions used to determine benefit obligations:

Particulars	As at	
	March 31, 2024	March 31, 2023
Discount rate	7.22%	7.38%
Average rate of increase in compensations level	10.00%	10.00%
Retirement Age (years)	58	58
Mortality Rate inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
<b>Employees turnover (Age)</b>	<b>Withdrawal rate in (%)</b>	<b>Withdrawal rate in (%)</b>
Upto 30 years	6.50%	6.50%
From 31 to 44 years	2.00%	2.00%
Above 44 years	0.90%	0.90%

One of the principal assumptions is the discount rate, which should be based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

(g) The company expects to contribute Rs. 0.09 lakhs (March 31, 2023: 0.33 lakhs) towards gratuity in the next financial year.

The following payments are expected contributions to the defined benefit plan in future years:

**Gratuity**

Particulars	March 31, 2024	March 31, 2023
Less than a year	0.09	0.33
Between 1-2 years	0.09	1.76
Between 2-5 years	1.08	-
Over 5 years	15.52	26.48
<b>Total</b>	<b>16.78</b>	<b>28.58</b>

(h) Quantitative sensitivity analysis for significant assumption as at March 31, 2024 and March 31, 2023 is as shown below:

**Gratuity Plan**

Particulars	March 31, 2024		March 31, 2024	
	Discount rate	Future salary increases	Discount rate	Future salary increases
Assumptions				
Sensitivity level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Increase/ (decrease) on defined benefit obligation	(1.16)	1.28	1.24	(1.14)

  

Particulars	March 31, 2023		March 31, 2023	
	Discount rate	Future salary increases	Discount rate	Future salary increases
Assumptions				
Sensitivity level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Increase/ (decrease) on defined benefit obligation	(1.45)	1.56	1.09	(1.01)

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
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**30 Significant accounting judgements, estimates and assumptions**

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

**Judgements**

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

**Determining the lease term of contracts with renewal and termination options – Company as lessee**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. 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.

**Taxation**

In preparing financial statements, there are many transactions and calculations for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Provisions and contingencies**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

In the normal course of business, contingent liabilities may arise from obligation or other claim against the company which are very difficult to quantify reliably and such obligation are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 29.



**Jai Automotive Components Limited**  
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**31 Capital Management**

For the purpose of the company's capital management, capital includes issued equity capital, 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. The Company monitors capital using a gearing ratio, which includes both long-term and short-term debts (including current maturities) plus amount payable for purchase of property, plant and equipment divided by Capital and net debt.

Particulars	March 31, 2024	March 31, 2023
<b>Debts</b>		
Borrowings- refer note 14	5,389.28	2,983.98
Payable for purchase of property, plant and equipment- refer note 15	104.45	55.81
<b>Net debts</b>	<b>5,493.73</b>	<b>3,039.79</b>
<b>Capital components</b>		
Share capital	4,963.60	4,632.00
Other equity	(2,186.02)	(1,091.74)
<b>Total capital</b>	<b>2,777.58</b>	<b>3,540.26</b>
<b>Capital and Net debt</b>	<b>8,271.31</b>	<b>6,580.05</b>
<b>Gearing ratio (%)</b>	<b>66.42%</b>	<b>46.20%</b>

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
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**32 Financial risk management objectives and policies**

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

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**(a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long term debt obligations to the holding company with floating interest rates.

**(ii) Currency risk**

Currency risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of the change in foreign currency exchange rates. The company does not have any foreign currency transactions during the current year.

**(iii) Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchases various components and materials, prices of which are volatile and are major components of end product. The prices in these purchase contracts are linked to the demand supply matrix. However, at present, the Company do not hedge its raw material procurements, as the price of the final product of the Company also vary with the price of steel which mitigate the risk of price volatility.

**(b) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

**Trade receivables**

Customer credit risk is managed by the company's established policy, procedures and control relating to customer credit risk management. The major customers of the company are original equipment manufacturers (OEM's) and holding company which have a defined period for payment of receivables and hence the company evaluates the concentration of risk with respect to trade receivables as low. At March 31, 2024, 100% (March 31, 2023: 100%) of all the receivables outstanding were from OEMs and holding company.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of customers that have similar loss patterns. The Company does not have ECL as the balance sheet date.

**Financial instruments and cash deposits**

Credit risk from loans given, balances with banks is managed by the company's treasury department in accordance with the company's policy. Credit risk on cash and cash equivalents is limited as the company generally invests in deposits with the banks with high credit ratings.

The company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 is the carrying amounts as illustrated in Note 10.

**(c) Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with its financial liabilities. The company monitors its risk of a shortage of funds using liquidity planning.

The company's objective is met by taking funding from its holding company.

**Maturity profile of financial Liabilities :**

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 3 months	3 to 12 months	1 to 5 Years	More than 5 years	Total
<b>March 31, 2024</b>					
Borrowings	-	-	5,389.28	-	5,389.28
Lease liability	23.03	69.81	186.56	3,150.64	3,430.04
Trade payables	48.19	-	-	-	48.19
Other financial liabilities	1.26	104.45	-	-	105.71
<b>Total</b>	<b>72.48</b>	<b>174.26</b>	<b>5,575.84</b>	<b>3,150.64</b>	<b>8,973.22</b>
<b>March 31, 2023</b>					
Borrowings	-	-	2,983.98	-	2,983.98
Lease liability	29.74	121.87	239.86	3,009.14	3,400.61
Trade payables	31.65	-	-	-	31.65
Other financial liabilities	0.45	55.81	-	-	56.26
<b>Total</b>	<b>61.84</b>	<b>177.68</b>	<b>3,223.84</b>	<b>3,009.14</b>	<b>6,472.50</b>

**33 Payment to Auditors**

	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor		
- Audit fee	1.50	2.50
- Limited review fee*	3.50	3.00
- Other services	-	0.81
	<b>5.00</b>	<b>6.31</b>

\*Includes Rs. 2.00 lakhs paid to previous auditor (March 31, 2023: Rs. 3.00 lakhs)

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**34 Segment Reporting**

Ind AS 108 establishes standards for the way that the company report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The company's operations comprises of only one segment i.e. manufacturing of agri products & job work related to automobile component. The entire operations are governed by the same set of risk and returns. Based on the "management approach" as defined in Ind AS 108, the management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resource allocation. In view of the same, separate segment information is not required to be given as per the requirements of Ind AS 108 on "Operating segments". The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

The analysis of geographical segment is based on the geographical location of the customers. The company operates primarily in India and has no presence in international markets . In view of the same, separate geographical segment information is not required to be given as per the requirements of Ind AS 108 on "geographical segments".

**35 Commitments and Contingencies**

**(a) Capital Commitments and Other Commitments**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows : -

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account [Net of advances of Rs. 456.21 lakhs (March 31, 2023: Rs. 643.31 lakhs)]	755.73	1,494.77
<b>Total</b>	<b>755.73</b>	<b>1,494.77</b>

**(b)** There are no contingent liabilities as at March 31, 2024 and as at March 31, 2023.

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**36 Related party transactions**

**A) Names of related parties and relationship**

**I. Related parties where control exists**

**Holding Company**

Jamna Auto Industries Limited

**B) Transactions with related parties**

Nature of Transaction	Holding Company		Fellow subsidiary		Key management personnel and their relatives		Total	
	Jamna Auto Industries Limited		Jai Suspension Systems Private Limited					
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of finished products	239.24	-	-	-	-	-	239.24	-
Expense incurred by related party on behalf of the entity	5.58	-	-	-	-	-	5.58	-
Interest on borrowings	388.43	170.03	-	-	-	-	388.43	170.03
Purchase of goods	14.16	-	-	0.07	-	-	14.16	0.07
Sales of property, plant and equipment	0.29	0.83	-	-	-	-	0.29	0.83
Business support services	32.90	31.27	-	-	-	-	32.90	31.27
Remuneration paid	-	-	-	-	-	1.48	-	1.48
Loan received	1,895.00	2,433.98	-	-	-	-	1,895.00	2,433.98
Rent received	1.48	-	-	-	-	-	1.48	-
Issue of equity share capital	331.60	-	-	-	-	-	331.60	-
Corporate guarantee withdrawal	-	2,500.00	-	-	-	-	-	2,500.00
<b>Balances as at the year end</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Trade payable	-	8.64	-	-	-	-	-	8.64
Trade receivable	174.67	-	-	-	-	-	174.67	-
Other payable	-	160.92	-	-	-	-	-	160.92
Borrowings	5,389.28	2,983.98	-	-	-	-	5,389.28	2,983.98

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

**37 Leases**

The Company's lease assets primarily consists of leases for lands having the various lease terms.

Following is the carrying value of right-of use-assets and movements thereof during the year ended :

Particulars	March 31, 2024	March 31, 2023
<b>Gross carrying value</b>		
Balance at the beginning of the year	3,443.32	3,428.96
Additions	-	18.04
Disposals	-	3.68
<b>Balance at the end of the year (A)</b>	<b>3,443.32</b>	<b>3,443.32</b>
<b>Accumulated depreciation</b>		
Balance at the beginning of the year	200.62	83.37
Additions	-	-
Add: Charge for the year	111.97	117.25
Disposals	-	-
<b>Balance at the end of the year (B)</b>	<b>312.59</b>	<b>200.62</b>
<b>Net Balance (A-B)</b>	<b>3,130.73</b>	<b>3,242.70</b>

The movement in lease liabilities is as follows:

Particulars	March 31, 2024	March 31, 2023
Balance at the beginning of the year	500.24	555.55
Add: Additions	-	17.60
Add: Finance cost accrued during the year	42.12	51.11
Less: Payment of lease liabilities	123.42	120.35
Less: Disposals	-	3.67
<b>Balance at the end of the year</b>	<b>418.94</b>	<b>500.24</b>

The break-up of current and non-current lease liabilities is as follows:

Particulars	March 31, 2024	March 31, 2023
Non-current lease liability	367.45	418.84
Current lease liability	51.49	81.40
<b>Total</b>	<b>418.94</b>	<b>500.24</b>

The following are the amounts recognised in profit or loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	111.97	117.25
Interest expense on lease liabilities	42.12	51.11
Rent expense- refer note 25*	4.89	0.21
<b>Total amount recognised in (profit) or loss</b>	<b>158.98</b>	<b>168.57</b>

The weighted average incremental borrowing rate applied to lease liabilities is 10%.

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

\*Rent expense pertains to lease payments recognised on a straight-line basis over the period of lease term for which lease term is upto a period of 12 months.

**Jai Automotive Components Limited**  
**Notes to the financial statements for the year ended March 31, 2024**  
*(All amounts in INR lakhs, unless otherwise stated)*

38 The provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Hence, the company has not deposited any amount towards Corporate Social Responsibility ("CSR").

**39 Ratio Analysis and its elements**

Sr.	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
1	Current Ratio (Times)	Current Assets	Current Liabilities	4.10	1.70	141.39%	The Company has started its Rudrapur & Derabassi's manufacturing facility at the end of previous year. Hence, ratios are not comparable.
2	Debt- Equity Ratio (Times)	Total debt (including lease liability)	Shareholder's Equity	2.09	0.98	112.47%	
3	Debt Service Coverage Ratio (Times)	Earnings for Debt Service = Net Profit after Taxes + Non-Cash Operating Expenses	Debt Service = Interest & Lease Payments + Principal Repayments	-0.74	-0.79	-6.89%	
4	Return on Equity Ratio (%)	Net Profits after Taxes – Preference Dividend (if any)	Average Shareholder's Equity	-34.61%	-15.30%	126.30%	
5	Inventory Turnover Ratio (Times)	Cost of Goods Sold	Average Inventory	0.98	-0.02	-6567.73%	
6	Trade Receivable Turnover Ratio (Times)	Net Credit Sales	Average Trade Receivable	3.40	1.78	90.69%	
7	Trade Payable Turnover Ratio (Times)	Net Purchases = Purchases of raw materials and components + Purchase of stock-in-trade goods - Purchase Return	Average Trade Payables	8.81	5.78	52.28%	
8	Net Capital Turnover Ratio (Times)	Net Credit Sales	Working Capital = Current Assets – Current Liabilities	0.41	0.04	881.05%	
9	Net Profit Ratio (%)	Net Profit	Net Credit Sales	-338.97%	-5428.27%	-93.76%	
10	Return on Capital Employed (%)	Earnings before Interest and Taxes	Capital Employed = Tangible Net Worth (Total equity) + Total Debt (including lease liabilities) - Deferred Tax Asset	-7.74%	-6.00%	28.99%	
11	Return on Investment (%)	Earnings before Interest and Taxes (EBIT)	Average total assets	-8.23%	-6.62%	24.23%	

**40 Other Statutory Information**

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (ix) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (x) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

41 The Company has opted to round off its financial information to the nearest Lakhs in accordance with Ind AS compliant Schedule III.

42 During the financial year ended March 31, 2024, the Company has reclassified following comparatives which are primarily to conform to the current years classification. This reclassifications do not have material impact on the Financial Statements.

Note	Note Description	Previously reported amount	Revised amount	Change in amount	Reason for reclassification
	<b>Balance sheet</b>				
17	Trade payables	0.45	-	(0.45)	Salary and wages payable reclassified to other financial liabilities.
15	Other financial liabilities	-	0.45	0.45	

44 Amounts appearing as zero "0" in the financial statements are below the rounding off norm adopted by the Company.

As per our report of even date

**For Price Waterhouse Chartered Accountants LLP**  
Firm registration number: 012754N/N500016

**For and on behalf of the Board**  
Jai Automotive Components Limited

**Abhishek Rara**  
Partner  
Membership Number: 077779  
Place: Gurugram  
Date: May 24, 2024

**Hardeep Singh Gujral**  
Director  
DIN:00518705

**Shashi Bansal Bhushan**  
Director  
DIN:01118864

**Abhishek Gupta**  
Chief Financer Officer & Company Secretary  
Place:  
Date: May 24, 2024