

INDEPENDENT AUDITOR'S REPORT

To the Members of
Mamata Machinery Limited

Report on the Audit of the Consolidated Financial Statements:

Opinion

We have audited the consolidated financial statements of Mamata Machinery Limited ("the Company") and its subsidiary company Mamata Enterprises, Inc (the Company and its subsidiary together referred to as the "Group"), which comprise the consolidated Balance Sheet as at 31st March 2024, the consolidated statement of Profit and Loss, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31st March 2024, of its consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended on that date.

Basis for Opinion

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 Consolidated 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 consolidated 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.



Emphasis of Matter

We draw attention to part (b) other equity of statement of changes in equity & Note 6 of the financial statements in respect of adjustment made in balance of accumulated depreciation for previous years. The details of this adjustment are given in the said notes to the consolidated financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Other Matters

1. We did not audit the financial statements of previous financial year i.e. FY 2022-23. The said financial statements have been audited by the other auditors, whose report has been furnished to us by the management. We have relied upon the audited financial statements of the previous year for comparative figures reported in the financial statements for FY 2023-24 subject to required re-groupings done as may be applicable.
2. The financial statements of one foreign subsidiary included in the consolidated financial statements, whose financial results, without giving effect to elimination of intra-group transactions, reflects total asset of Rs. 319.33 millions as at March 31, 2024, total revenues of Rs. 787.22 millions for the year ended March 31, 2024, total profit after tax of Rs. 97.88 millions for the year ended March 31, 2024, total comprehensive income of Rs. 96.86 millions for the year ended March 31, 2024 are audited by other auditors according to accounting principles generally accepted in India and their report has been furnished to us by the management and our opinion on the Consolidated Financials Statements, in so far as it relates to the amounts and disclosure included in respect of this subsidiary is based solely on the report of the other auditors and the required procedures performed by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, for example, Board's Report including Annexures to Board's Report but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 to those charged with governance. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the Consolidated Financial Statements

The accompanying consolidated financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

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



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

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

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statements.
 - b. In our opinion proper books of account as required by law relating to preparation of the consolidated financial statements have been kept by the Company so far as it appears from our examination of those books *except for the matters stated in 2(vi) below*.
 - c. The consolidated Balance Sheet, the consolidated statement of Profit and Loss including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of these consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) 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 of the Company, none of the directors of the Company is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. The modifications relating to the maintenance of accounts and other matters connected therewith in respect of audit trail are as stated in paragraph 1(b) above on reporting under section 143(3)(b) of the Act and paragraph 2(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure - A**”. Internal financial reporting is not applicable in the case of subsidiary incorporated outside India.



2. With respect to the other matters to be included in the Auditors' 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 consolidated financial statements disclose impact of pending litigations on the financial position of the Group. – Refer Note no. 50 to the consolidated financial statements;
 - ii. the Group does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a. The management has represented that, to the best of its knowledge and belief as disclosed in note no. 61(iv), no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(entities), 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 like on behalf of the Ultimate Beneficiaries;
 - b. The management has represented that to the best of its knowledge and belief as disclosed in note no. 61(v), no funds have been received by the Group from any person(s) or entity(entities), including foreign entities ("Funding Parties"), with the Understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ; and
 - c. Based on such audit procedures performed, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
 - vi. Based on our examination which included test checks, the Company has used accounting software, a payroll application and inventory management software for maintaining its books of account. Accounting software has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded in the software / application. However, payroll application and inventory management have no feature of recording audit trail (edit



log) facility. The Company has only one subsidiary which is outside India so the requirement w. r. t. audit trail is not applicable to the subsidiary company.

As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended March 31, 2024.

3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the Company has paid and / or provided remuneration to its directors during the year ended 31st March, 2024 in accordance with the provisions of Section 197 of the Act.

4. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, the Company has only one subsidiary which is outside India and the CARO is not applicable to that subsidiary. Therefore, the reporting under paragraphs 3(xxi) and 4 of CARO is not applicable in this case.

For Bathiya & Associates LLP

Chartered Accountants

Firm Registration No. 101046W / W100063

Jimesh P. Shah

Partner

Membership No.: 169252 *

UDIN: 24169252 BKHJJ93437

Place: Ahmedabad

Date: 14th September, 2024



Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date for the year ended 31st March, 2024)

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

In conjunction with our audit of the consolidated financial statements of the Company for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of Mamata Machinery Limited ("the Company") as of 31st March, 2024.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Bathiya & Associates LLP**
Chartered Accountants
Firm Registration No. 101046W/W100063



Jimesh P. Shah

Partner

Membership No.: 169252



Place: Ahmedabad

Date: 14th September, 2024

Amount (Rs.) in Millions except otherwise stated

Particulars	Notes	As at 31st March 2024	As at 31st March 2023	As at 1st April 2022
ASSETS				
(A) Non Current Assets				
a) Property, Plant and Equipment and Intangible Assets				
i) Property, Plant and Equipment	6	615.22	626.89	646.73
ii) Investment Property	7	0.51	0.73	0.95
iii) Right of Use Assets	8	16.56	11.18	19.40
iv) Other Intangible Assets	9	1.21	0.12	0.19
v) Intangible assets under development	10	0.30	0.95	-
b) Financial Assets				
(i) Investments	11	3.96	2.53	1.67
(ii) Other financial assets	12	478.55	604.36	425.97
c) Deferred Tax Assets		46.98	58.64	66.66
		1,163.29	1,305.40	1,161.57
(B) CURRENT ASSETS				
a) Inventories	13	693.01	702.81	718.08
b) Financial Assets				
(i) Current Investments	14	-	-	70.00
(ii) Trade Receivables	15	372.81	175.89	163.21
(iii) Cash & Cash Equivalents	16	20.10	51.67	24.71
(iv) Bank balances other than cash and cash equivalents as above	17	19.56	-	-
(iv) Loans	18	11.51	-	-
(v) Other Financial current assets	19	17.67	6.15	4.24
c) Other Current Assets	20	80.46	63.20	86.49
		1,215.12	999.72	1,066.73
Total Assets		2,378.41	2,305.12	2,228.30
Equity and Liabilities				
Equity				
a) Equity Share capital	21	27.34	29.72	29.72
b) Other Equity	22	1,291.48	1,261.63	1,065.12
		1,318.82	1,291.35	1,094.84
Liabilities				
(A) Non-Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	23	25.72	28.17	29.61
(ii) Lease Liabilities		8.71	9.84	11.81
b) Provisions	24	5.46	2.10	2.06
c) Deferred Tax Liabilities (Net)	44	7.00	9.17	10.23
		46.89	49.28	53.71
(B) Current Liabilities				
a) Financial Liabilities				
(i) Borrowings	25	90.24	158.17	179.00
(ii) Lease Liabilities		10.05	2.95	7.55
(iii) Trade payables	26			
- Total outstanding dues of micro enterprises and small enterprises		39.43	35.69	53.83
- Total outstanding dues of creditors other than micro enterprises and small enterprises		244.58	242.78	280.76
b) Other Current Liabilities	27	583.35	495.48	537.21
c) Provisions	28	16.86	17.15	15.91
d) Current Tax Liabilities (Net)	29	28.19	12.27	5.49
		1,012.70	964.49	1,079.75
Total Equity & Liabilities		2,378.41	2,305.12	2,228.30
Significant Accounting Policies				
See accompanying notes to Special purpose consolidated Financial statements	1-5 6-68			

As per our report of even date

For Bathiya & Associates LLP
Chartered Accountants
Firm Registration Number : 101046W/W100063

James P. Shah
Partner
Membership No : 169252

Place : Ahmedabad
Date : 14th September, 2024



For and on behalf of board of directors of
Mamata Machinery Limited

Mahendra N. Patel
Managing Director
DIN : 00104997

Place : Ahmedabad
Date : 14th September, 2024

Dipak J. Modi
Chief Financial Officer

Place : Ahmedabad
Date : 14th September, 2024



Chandrakant B. Patel
Joint Managing Director
DIN : 00380810

Place : Ahmedabad
Date : 14th September, 2024

Madhuri Sharma
Company Secretary
M No. : A44889
Place : Ahmedabad
Date : 14th September, 2024

MAMATA MACHINERY LIMITED
CIN No. - U29259GJ1979PLC003363

Consolidated Statement of Profit and Loss for the year ended 31 March, 2024

Particulars	Notes	Amount (Rs.) in Millions except otherwise stated	
		For the year ended 31st March 2024	For the year ended 31st March 2023
Revenue :			
I Revenue from Operations	30	2,366.11	2,008.65
II Other Income	31	46.97	92.64
III Total Income (I + II)		2,413.08	2,101.29
IV Expenses :			
a) Cost of Raw Material Consumed	32	906.22	871.41
b) Changes in inventories of finished goods and work-in-progress	33	101.22	48.23
c) Employee Benefits Expense	34	438.00	402.88
e) Finance Costs	35	15.29	10.61
d) Depreciation And Amortization Expenses	36	34.13	34.33
f) Other Expenses	37	453.90	449.18
Total Expenses (IV)		1,948.76	1,816.64
V Profit/(loss) before exceptional items and tax (III - IV)		464.32	284.65
VI Exceptional Items		-	-
VII Profit/ (loss) before tax (V+VI)		464.32	284.65
VIII Tax Expense			
Current Tax		93.34	48.76
Earlier Year Tax adjustment		3.41	-
Deferred Tax		11.33	11.28
		108.08	60.04
XI Profit/(loss) for the year (VII-VIII)		356.24	224.61
XII Other Comprehensive Income	38		
i. Items that will not be reclassified to Statement of Profit and Loss		-4.52	1.14
Income tax relating to items that will not be reclassified to			
ii. Statement of Profit and Loss		1.14	-0.29
iii. Items that will be reclassified to Statement of Profit and Loss		-2.12	-27.47
Income tax relating to items that will be reclassified to Statement			
iv. of Profit and Loss		-	-
Other Comprehensive Income for the year (XII)		-5.50	-26.62
Total Comprehensive Income for the year comprising of profit / (loss) and Other Comprehensive Income for the year (XI + XII)		350.74	197.99
XIII Earnings per Equity Share of Face value Rs.10/- Each	39		
(i) Basic (in Rs.)		14.45	9.04
(ii) Diluted (in Rs.)		14.45	9.04
Significant Accounting Policies	1-5		
See accompanying notes to Special purpose consolidated Financial	6-68		

As per our report of even date

For Bathiya & Associates LLP
Chartered Accountants
Firm Registration Number : 101046W/W100063

James P. Shah
Partner
Membership No : 169252

Place : Ahmedabad
Date : 14th September, 2024

For and on behalf of board of directors of
Mamata Machinery Limited

Mahendra N. Patel
Managing Director
DIN : 00104997

Place : Ahmedabad
Date : 14th September, 2024

Dipak J. Modi
Chief Financial Officer

Place : Ahmedabad
Date : 14th September, 2024

Chandrakant B. Patel
Joint Managing Director
DIN : 00380810

Place : Ahmedabad
Date : 14th September, 2024

Madhuri Sharma
Company Secretary
M No. : A44889
Place : Ahmedabad
Date : 14th September, 2024

Particulars	Amount (Rs.) in Millions except otherwise stated	
	For the year ended 31st March 2024	For the year ended 31st March 2023
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before taxation	464.32	284.65
Adjustments for:		
Interest Expenses	15.29	10.61
(Gain) / loss on Sale of Property, Plant & Equipment	(0.06)	0.76
(Gain)/loss on fair value of investment through P&L	(1.43)	(0.86)
Interest Received	(30.17)	(19.11)
Provision for Expected Credit Loss	3.27	2.34
Liability Written back	(0.11)	-
Dividend Received	(0.07)	-
Depreciation and Amortisation Expenses	34.13	34.33
Operating Profit before working capital changes	485.17	312.72
Increase/(Decrease) in Current tax assets	(4.67)	0.10
Increase/(Decrease) in Non current liability	1.19	(1.01)
Increase/(Decrease) in Short Term Borrowings	(83.29)	(28.73)
Increase/(Decrease) in Trade Payables	5.53	(56.12)
Increase/(Decrease) in Other Current Liability	84.20	(39.64)
(Increase)/Decrease in Non Current Assets	0.33	(3.27)
(Increase)/Decrease in Non Current Financial Assets	125.81	(178.40)
(Increase)/Decrease in Inventories	9.79	15.27
(Increase)/Decrease in Current Assets	(17.26)	23.30
(Increase)/Decrease in Current Financial Assets	(11.51)	(1.91)
(Increase)/Decrease in Trade Receivable	(200.19)	(15.02)
Cash Generated from Operations	395.10	27.29
Income Taxes paid (net of refund)	(76.15)	(42.08)
Net Cash from Operating Activities	318.95	(14.79)
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant & Equipment	(13.08)	(10.45)
Disposal of Property, Plant & Equipment	1.09	2.77
Sale of Investments	0.00	70.00
Increase/(Decrease) in Bank Deposit	-19.56	-
Dividend Received	0.07	-
Interest Received	30.17	19.11
Net Cash from Investing Activities	(1.31)	81.43
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Increase/(Decrease) in Borrowings	(2.45)	(1.44)
Increase/(Decrease) in Loans given	(11.51)	-
Rent Paid	(10.88)	(8.75)
Interest Paid	(14.54)	(10.06)
Shares issued during the year	(2.38)	-
Buy back of share	(319.54)	-
Dividend Paid	(1.37)	(1.49)
Net Cash from Financing Activities	(362.67)	(21.74)
Net Increase / (Decrease) in Cash and Cash Equivalents	(45.03)	44.90
Foreign Exchange Translation	(1.91)	(25.85)
Cash and Cash Equivalents at the beginning of the year	39.33	20.28
Cash and Cash equivalents at the end of the year	(7.61)	39.33
Notes to the Cash Flow Statement:		
Cash and Cash Equivalents comprises of		
Cash on Hand	0.23	0.27
Balance in Current Account	19.87	51.40
Cash and Cash Equivalents as per Note 16 & 17	20.10	51.67
(Add)/(Less))		
Bank Overdraft	(27.71)	(12.34)
Cash and Cash equivalents in Cash Flow Statement	(7.61)	39.33

Significant Accounting Policies

The Accompanying Notes are an Integral part of the Standalone Financial Statements.

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As per our report of even date

For Bathiya & Associates LLP

Chartered Accountants

Firm Registration Number : 101046W/W100063

James P. Shah

Partner

Membership No : 169252

Place : Ahmedabad

Date : 14th September, 2024

For and on behalf of board of directors of

Mamata Machinery Limited

Mahendra N. Patel

Managing Director

DIN : 00104997

Place : Ahmedabad

Date : 14th September, 2024

Dipak L. Modi

Chief Financial Officer

Place : Ahmedabad

Date : 14th September, 2024

Chandrakant B. Patel

Joint Managing Director

DIN : 00380810

Place : Ahmedabad

Date : 14th September, 2024

Madhuri Sharma

Company Secretary

M No. : A44889

Place : Ahmedabad

Date : 14th September, 2024

MAMATA MACHINERY LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024

1. Corporate Information:

Mamata Machinery Limited (Mamata or the "Parent Company") is a public limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Registered office of the Company is located at survey No. 423/P, Sarkhej-Bavla Road, N.H.8A, Moraiya, Sanand, Ahmedabad, Gujarat-382213, India.

The Company was converted from a Private Limited Company to Public Limited company vide Special resolution passed in the Extra-Ordinary General Meeting of the company dated June 05, 2024 and consequently, the name of the Company was changed to "Mamata Machinery Limited" and a fresh certificate of incorporation dated June 21, 2024 was issued to the Company by the Registrar of Companies, Central Processing Centre having Corporate Identification Number U29259GJ1979PLC003363.

Mamata Enterprises Inc ("Mamta"), incorporated on 24th April, 2003 in USA, is a 100% owned Subsidiary of Mamata Machinery Limited which is an Indian company. In USA, Mamata operates from two locations i.e. Montgomery (Illinois-IL) and Bradenton (Florida-FL). Montgomery facility is a showroom of Mamata Bag / Pouch Machines in North America & pre-sales and after-sales service center for Bag / Pouch Machines. The Bradenton-based facility is dedicated to designing and manufacturing truly innovative and unique HFFS pouching machines and new innovative flexible packaging solutions.

The Parent Company and its Subsidiary (hereinafter referred to as the "Company" or the "Group") are engaged in the business of (i) Bag Packing Machinery (ii) Packing Machinery (iii) Plastic Extrusion Machinery, (iv) Parts of Machinery.

2. Statement of Compliance

These Ind AS Consolidated Financial Statements ("Consolidated Financial Statements") are prepared in accordance with Indian Accounting Standards 110 ("Ind AS 110") on 'Consolidation of Financial Statements', as per the provisions of Companies (India Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act 2013, ("the Act") and other relevant provisions of the Act.

The Consolidated Financial Statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest Million (Rs. 000,000) upto one decimal, except when otherwise indicated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures. Previous year figures have been regrouped / re-casted / re-classified wherever necessary.

3. Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements have been prepared under historical cost convention on accrual basis, unless otherwise stated. These Consolidated Financial Statements of the Group are presented as per Schedule III (Division II) of the Companies Act, 2013.

For the purpose of Ind AS Consolidated Financial Statements for the year ended March 31, 2024 of the Group, the transition date is considered as April 01, 2022 for the purpose of preparation of Statutory Ind AS Financial Statements as required under the Act. Accordingly, the Group have applied the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions available as per Ind AS 101, as applicable) as on April 01, 2022 for the 2022 Ind AS Financial Statements, as initially adopted on transition date i.e. April 01, 2022.

As such, this Consolidated Ind AS Financial Statements are prepared considering the accounting principles stated in Ind AS, as adopted by the Group and described in subsequent paragraphs.



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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2024

Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current and noncurrent classification.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the balance sheet date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the balance sheet date. Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in, the Group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the balance sheet date; or
- (d) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Current liabilities include current portion of noncurrent financial liabilities.

All other liabilities are classified as non-current.

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

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle for the purpose of current and non-current classification of assets and liabilities.

4. Basis of Consolidation

The Consolidated Financial Statements comprise the Financial Statements of the Parent Company and its Subsidiary as disclosed in Note 68. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiary is consolidated from the date control commences until the date control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiary is attributed to the owners of the Group and to the non-controlling interests even if this results in the



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non-controlling interests having a deficit balance. The financial statements of the Group companies are consolidated on a line-by-line basis and intra- Group balances, transactions including unrealized gain / loss from such transactions and cash flows relating to transactions between members of the Group are eliminated upon consolidation. These Financial Statements are prepared by applying uniform accounting policies in use at the Group.

5. Material Accounting Policies: -

5.1 Critical Accounting estimates, assumptions and judgements.

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of Consolidated Financial Statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of the circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the Consolidated Financial Statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

5.1.1 Judgements

Information about judgements made in applying accounting policies that have the most material effects on the amounts recognised in the financial statements is included in the following notes:

Revenue recognition:

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer based on lead time assessment for transfer of goods from one location to other location subject to inco terms.

5.1.2 Accounting Estimates and Assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

a) Employee Benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments. These include the estimation of the appropriate discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, the employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b) Provisions and contingencies

From time to time, the Group is subject to legal proceedings, the ultimate outcome



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of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgment is required when evaluating the provision including, the probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the Consolidated Financial Statements. Contingent assets are not disclosed in the Consolidated Financial Statements unless an inflow of economic benefits is probable.

c) Deferred income tax assets and liabilities

Significant management judgment 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. The amount of total deferred tax assets could change if management estimates of projected future taxable income or if tax regulations undergo a change. Similarly, the identification of temporary differences pertaining to subsidiary that are expected to reverse in the foreseeable future and the determination of the related deferred income tax liabilities, require the Management to make material judgments, estimates and assumptions.

d) Useful lives of property, plant and equipment ('PPE') and intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments, units-of-production and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortisation charge could be revised and may have an impact on the profit of the future years.

5.2 The Group has consistently applied the following material accounting policies to all periods presented in these Consolidated Financial Statements.

a) Revenue recognition:

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods. To recognize revenues, the Group applies the following five step approach:

- identify the contract with a customer,
- identify the performance obligations in the contract,
- determine the transaction price,
- allocate the transaction price to the performance obligations in the contract, and
- recognise revenues when a performance obligation is satisfied.

Sale of goods

The Group manufactures and sells packing machines. Sales are recognised when control of the products has transferred, being when the products are delivered to the customers. Delivery occurs



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when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer.

The timing of transfers of control varies depending on the terms of sale. For domestic sale of goods to the customers, such transfer occurs when the products are delivered to dealers. For FOB export terms of sale, it will be considered as sale when delivered to a carrier at the port of the seller. For CIF terms of sale, it will be considered as sales when it will be received by buyer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for trade discount, cash discount, rebates, scheme allowances, incentives and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

The Group gives warranties on certain products undertaking to repair or replace the item that failed to perform satisfactorily during the warranty period. Provision for warranties is made for probable future claims on sales effected and are estimated based on previous claim experience and are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Sale of services

Revenue from sale of services is recognized when the activity is performed as per service contract. In arrangements for sale of goods, the Group provides after-sales service to the end customers which entitles them to avail free of cost maintenance services for a specified period and after that a paid service. When two or more revenue-generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for separately.

Other operating revenue –

- i) **Export incentive entitlements** are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. These are presented as other operating income in the Statement of Profit and Loss.
- ii) **Dividend and interest income:**
Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.
- Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- b) **Tax Expense:**
The tax expense comprises of income tax and deferred tax. Tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognized in the comprehensive income or in equity.
- i. **Current Income taxes:** Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Group assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions



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depending the nature and circumstances of each uncertain tax position. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

- ii. **Deferred taxes:** Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in Consolidated Financial Statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period.

The Group offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

c) Segment reporting

As per Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments based on their relationship to the operating activities of the segment. Inter segment revenue is accounted based on transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

d) Employee benefit expense:

i. Post-employment and pension plans

The Group participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks are borne by the employee. The expenditure for defined contribution plans is recognized as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks are borne by the Group. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

Re-measurement comprising actuarial gains or losses and the return on plan assets (excluding interest) are immediately recognized in other comprehensive income, net of taxes and permanently excluded from profit or loss.



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▪ **Provident fund**

Employees receive benefits from a provident fund, which is a defined benefit plan. The employer and employees each make periodic contributions to the plan. A portion of the contribution is made to the approved provident fund trust managed by the Group while the remainder of the contribution is made to the government administered pension fund. The contributions to the trust managed by the Group is accounted for as a defined benefit plan as the Group is liable for any shortfall in the fund assets based on the government specified minimum rates of return.

▪ **Gratuity**

In accordance with the Payment of Gratuity Act, 1972, applicable for Indian companies, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The gratuity fund is managed by the third-party fund managers.

The Group's obligation in respect of above plans, which are defined benefit plans, are provided for based on actuarial valuation using the projected unit credit method. The Group recognizes actuarial gains and losses in other comprehensive income, net of taxes.

ii. **Termination benefits**

Termination benefits are expensed when the Group can no longer withdraw the offer of those benefits.

iii. **Short-term benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

e) **Property, Plant and Equipment:**

- i) **Recognition and measurement** - Property, Plant and equipment are stated at historical cost, less accumulated depreciation, and accumulated impairment losses, if any. The historical cost comprises of the purchase price, taxes, duties, freight, borrowing cost and other incidental expenses directly attributable and related to the acquisition and installation of the concerned assets wherever applicable.

Subsequent costs are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits will flow to the entity and cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

ii) **Depreciation and amortization method, estimated useful lives and residual value:**

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value.

Depreciation on PPE (other than free hold land and factory building) has been provided based on useful life of the assets in accordance with Schedule II of the Companies Act, 2013, on Written Down Value (WDV) method. For factory building depreciation provided on Straight Line Method. Freehold land is not depreciated.

Depreciation methods, useful lives and residual value are reviewed at each reporting date and adjusted prospectively, if appropriate.

Depreciation on additions is charged proportionately from the date the asset is ready for its intended use. Depreciation on sale / deduction from tangible assets is provided up to the date of sale / deduction or discarding date as the case maybe.



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The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Block of Asset	Estimated life (Years)
Land	-
Buildings	10-30
Plant & Machinery	5-10
Electrical and Fittings	10
Furniture and Fixture	7-39
Vehicles	5-8
Computer	3
Office Equipment	5
Computer Software	10

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

iii) De-Recognition:

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

f) Impairment of non-financial assets:

At each balance sheet date, the carrying amount of fixed assets is reviewed by the management to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (the recoverable amount is the higher of an asset's net selling price or value in use). In assessing the value in use, the estimated future cash flows expected from the continuing use of the assets and from their disposal are discounted to their present value using a pre-discounted rate that reflects the current market assessment of the time value of money and risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the Profit and Loss Account.

g) Other Intangible assets

Other Intangible assets that are acquired by the Group and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any. . Intangible assets are amortized over a period of 5 years on straight line method. Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate.

h) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties are depreciated using the straight-line method over their estimated useful lives. Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. The Group has used government registration rates for the purpose of determining fair value of Land and Buildings.



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i) Foreign currency transaction

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are translated at exchange rates on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate on that date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous period are recognised in profit or loss in the period in which they arise except for:

Exchange differences relating to the translation of the results and the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. INR) are recognised directly in the other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences in the foreign currency translation reserve are reclassified to a statement of profit or loss account on the disposal of the foreign operation.

Non-monetary items that are measured in terms of historical cost in foreign currency are measured using the exchange rates at the date of initial transaction.

Foreign operations

For the purposes of presenting these Consolidated Financial Statements, the assets and liabilities of Group's foreign operations, are translated to the Indian Rupees at exchange rates at the end of each reporting period. The income and expenses of such foreign operations are translated at the average exchange rates for the period. Resulting foreign currency differences are recognised in other comprehensive income and presented within equity as part of Foreign Currency Translation Reserve (and attributed to non-controlling interests as appropriate). When a foreign operation is disposed off, the relevant amount in the Foreign Currency Translation Reserve is reclassified to profit or loss.

j) Financial instruments

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

i. Financial Assets:

Recognition and measurement:

Initial recognition and measurement:

Financial assets are classified, at initial recognition, are measured as amortised cost, fair value through other comprehensive income and fair value through profit and loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them.

Subsequent measurement:

- Financial assets carried at amortized cost: A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets at fair value through other comprehensive income: A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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- Financial assets at fair value through profit and loss (FVTPL): A financial asset is subsequently measured at fair value through profit and loss if it is held within a business model whose objective is achieved by selling financial assets.

Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such an election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity on derecognition. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Group continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires. Derecognition of financial instruments The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial asset, the Group continues to recognize the financial asset and recognizes a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ii. Financial Liabilities and equity instruments:

Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.



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Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Initial recognition and measurement:

All financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Group's financial liabilities include loans and borrowings including bank overdraft, trade payable, trade deposits and other payables.

Subsequent measurement:

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

k) Inventories:

Inventories are valued at the lower of cost determined on First In First out ("FIFO") basis and net realisable value. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition. The basis of determination of cost remains as follows:

- a) Raw material, packing material: At cost
- b) Work in progress: Cost of input plus appropriate proportionate overhead up to the stage of completion.
- c) Finished goods: Cost of input plus appropriate proportionate overhead

l) Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at bank, cash on hand, other short-term deposits with original maturities of three months or less which are subject to an insignificant risk of changes in value.

m) Provisions:

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



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n) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

o) Contingent Assets

Contingent assets are not disclosed in the Consolidated Financial Statements unless an inflow of economic benefits is probable.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

p) Earnings per share:

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options, except where the results would be anti-dilutive. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any splits and bonus shares issues including for change effected prior to the approval of the Consolidated Financial Statements by the Board of Directors.

(i) Leases

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group as a lessee

The Group enters into an arrangement for lease of land, buildings, plant and machinery including computer equipment and vehicles. Such arrangements are generally for a fixed period but may have extension or termination options. The Group assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract conveys the right to –

- a) control the use of an identified asset,
- b) obtain substantially all the economic benefits from use of the identified asset, and
- c) direct the use of the identified asset

The Group determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Group is reasonably certain to exercise that option.

The Group at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received, plus estimated cost of dismantling of assets. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.



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The Group applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.

For lease liabilities at the commencement of the lease, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Group would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

The Group as a lessor

Leases under which the Group is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases. For leases under which the Group is an intermediate lessor, the Group accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

q) Cash flow statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash from operating, investing and financing activities of the Group are segregated.

r) Government grants:

The Group recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the Group deducts such grant amount from the carrying amount of the asset.

s) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, liabilities and contingent liabilities assumed are recognised at their fair value at the acquisition date, except deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with the guidance in the related accounting standards.



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Goodwill is measured as the surplus of the sum of the consideration transferred (acquisition cost) over the newly valued net assets. Capital consolidation is based on the purchase method, whereby the acquisition cost of subsidiary is eliminated at the time of acquisition against the fair value of net assets acquired with the remainder recorded as goodwill that is subsequently amortised over its useful life by the Group.

Common Control Business Combinations

Business Combination involving entities or businesses under common control shall be accounted for using the pooling of interest method.

t) Exceptional items:

Exceptional items refer to items of income or expense, including tax items, within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

u) Recent Accounting Pronouncements

(i) New and Amended Standards Adopted by the Group:

The Company has applied the following amendments for the first time for their annual reporting period commencing April 1, 2023:

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

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment does not have any material impact on the Company's financial statements and disclosures.

Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(ii) New Standards/Amendments notified but not yet effective:

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



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Pursuant to first proviso to sub-section (3) of section 129 of Companies Act, 2013 with the Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries / associate companies/ joint venture

PART "A": SUBSIDIARIES

Sr. No.	Name of the Subsidiary Company	Date of investment in subsidiary	Reporting Currency	Closing Rate	Capital	Reserve	Total Assets	Total Liabilities	Investment Other than Investment in Subsidiary	Turnover	Amount Rupees in Millions as otherwise stated			
											Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	% of Shareholding
1	Mamata Enterprise Inc	24th April, 2003	USD	83.38	123.50	-61.85	319.33	257.68	-	787.22	117.50	19.62	97.88	100%

PART "B": ASSOCIATE COMPANIES AND JOINT VENTURES

Not applicable

For Bathiya & Associates LLP

Chartered Accountants

Firm Registration Number : 101046W/W100063

**Jimesh P. Shah**

Partner

Membership No : 169252

Place : Ahmedabad

Date : 14th September, 2024

For and on behalf of board of directors of
Mamata Machinery Limited

Mahendra N. Patel

Managing Director

DIN : 00104997

Place : Ahmedabad

Date : 14th September, 2024

Chandrakant B. Patel

Joint Managing Director

DIN : 00380810

Place : Ahmedabad

Date : 14th September, 2024

**Dipak J. Modi**

Chief Financial Officer

Madhuri Sharma

Company Secretary

M No. : A44889

Place : Ahmedabad

Date : 14th September, 2024

Place : Ahmedabad

Date : 14th September, 2024