

## ***S Y LODHA AND ASSOCIATES***

Unit No 309, New Sonal Link Industrial Service Premises  
New Link Road, Malad West, Mumbai 400064; Contact: 022-35635006;  
E-mail: [query@syla.in](mailto:query@syla.in); Website: [www.syla.in](http://www.syla.in)



### **INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PROFORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION INCLUDED IN THE DRAFT LETTER OF OFFER.**

The Board of Directors,  
Lloyds Engineering Works Ltd.,  
(Formerly known as Lloyds Steels Industries Ltd.)

Dear Sirs,

Report on the compilation of Proforma Condensed Consolidated Financial Information included in the Draft Letter of Offer prepared by Lloyds Engineering Works Limited.

1. We have completed our assurance engagement to report on the compilation of the proforma condensed consolidated financial information of Lloyds Engineering Works Limited (the **"Company"**) prepared by the management of the Company (The **"Management"**). The proforma condensed consolidated financial information consists of the Proforma condensed consolidated statement of profit and loss (including other comprehensive income) for the year ended 31<sup>st</sup> March, 2024 and select explanatory notes (collectively **"Proforma Condensed Consolidated Financial Information"**), as set out in the Draft Letter of Offer prepared by the Company (the **"DLOF"**) in connection with its proposed Rights Issue of its equity shares. The applicable criteria on the basis of which the Management has compiled the Proforma Condensed Consolidated Financial Information are specified in clause (11) (I) (B) (iii) of Part A of Schedule VI Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the **"ICDR Regulations"**) issued by Securities and Exchange Board of India (the **"SEBI"**) and described in note 2 of the Proforma Condensed Consolidated Financial Information. Because of its nature, the Proforma Condensed Consolidated Financial Information does not represent the Company's actual financial position and financial performance.
2. The Proforma Condensed Consolidated Financial Information has been compiled by the Management to illustrate the impact of the acquisition of Techno Industries Private Limited (**"TIPL"**). Set out in note 2 of the Proforma Condensed Consolidated Financial Information on the Company's financial position as at 31<sup>st</sup> March, 2024 and the Company's Financial Performance for the year ended 31<sup>st</sup> March, 2024 as if the acquisition had taken place as at and for the year ended 31<sup>st</sup> March, 2024. As part of this process, information about the Company's financial position, financial performance has been extracted by the Management from the Company's restated financial statements as at and for the year ended 31<sup>st</sup> March, 2024. We have relied on the restated Ind AS financial statements of TIPL provided by the management of the



## ***SYLODHA AND ASSOCIATES***

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company as at and for the year ended 31st March, 2024, prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended (the 'Act').

### **Management's Responsibility for the Proforma Condensed Consolidated Financial Information.**

3. Management is responsible for compiling the Proforma Condensed Consolidated Financial Information on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information which has been approved by the Board of Directors of the Company (the "Board") on 19<sup>th</sup> October, 2024. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Condensed Consolidated Financial Information on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Condensed Consolidated Financial Information.

### **Auditor's Responsibilities:**

4. Our responsibility is to express an opinion, as required by ICDR Regulations, about whether the Proforma Condensed Consolidated Financial Information has been compiled, in all material respects, by the Management on the basis as set out in note 2 to the Proforma Condensed Consolidated Financial Information.
5. We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus, issued by the Institute of Chartered Accountants of India ("ICAI"). This Standard requires that the Auditor comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Management has compiled, in all material respects, the Proforma Condensed Consolidated Financial Information on the basis set out in note 2 thereto.
6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Condensed Consolidated Financial Information, nor have we, in the course of this engagement, performed





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an audit or review of the financial information used in compiling the Proforma Condensed Consolidated Financial Information.

7. Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the ICDR Regulations in connection with the proposed Rights Issue of equity shares.
8. The purpose of the Proforma Condensed Consolidated Financial Information included in the DLOF is solely to illustrate the impact of the above-mentioned acquisition of TIPL on unadjusted restated financial information of the Company as if the acquisition of TIPL had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above-mentioned acquisition as at and for the year ended 31<sup>st</sup> March, 2024 would have been as presented.
9. A reasonable assurance engagement is to report on whether the Proforma Condensed Consolidated Financial Information has been compiled, in all material respect, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Management in the compilation of the Proforma Condensed Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the above mentioned acquisition, and to obtain sufficient appropriate evidence about whether:
  - The related proforma adjustments give appropriate effect to those criteria; and
  - The Proforma Condensed Consolidated Financial Information reflects the proper application of those adjustments to the unadjusted financial information.
10. The procedures selected depend on the Auditor's Judgment, having regard to the Auditor's understanding of the nature of the Company, the event or transaction in respect of which the Proforma Condensed Consolidated Financial Information has been compiled, and other relevant engagement circumstances.
11. This report should not in any way be construed as re-issuance or re-dating of any of the previous audit reports issued by us on the financial statements of the Company or TIPL, as the case may be referred in paragraph 2 above. We have no responsibility to update our report for events and circumstances occurring after the date of this report.



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12. The engagement also involves evaluating the overall presentation of the Proforma Condensed Consolidated Financial Information.
13. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Matters:**

14. We did not audit the financial information of Techno Industries Private Limited, whose financial information reflect total assets of Rs. 14,662.28 Lakhs as at 31<sup>st</sup> March, 2024, total revenues of Rs. 16,811.77 Lakhs for the year ended on that date, as considered in the proforma condensed consolidated financial information. This financial information has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.
15. Our opinion on the proforma condensed consolidated financial information, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

### **Opinion:**

16. In our opinion, the Proforma Condensed Consolidated Financial Information has been compiled, in all material respects, on the basis set out in note 2 of the Proforma Condensed Consolidated Financial Information.

### **Restriction of use:**

17. Our report is intended solely for use of the Board for inclusion in the DLOF to be filed with SEBI in connection with the proposed Rights Issue of equity shares. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. The Proforma Condensed Consolidated Financial Information is not a complete set of financial statements of the Company prepared in accordance with the Ind AS prescribed under Section 133 of the Act, as applicable and is not intended to give a true a fair view of the financial



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position of the Company as at 31<sup>st</sup> March, 2024 and of its financial performance (including other comprehensive income) for the year ended 31<sup>st</sup> March, 2024 in accordance with the Ind AS prescribed under Section 133 of the Act, as applicable. As a result, this Proforma Condensed Consolidated Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For S Y Lodha and Associates**  
**Chartered Accountants**  
**ICAI Reg. No. 136002W**

*Shashank Lodha*

**Shashank Lodha**  
**Partner M. No.: 153498**  
**UDIN: 24153498BKDHXN6151**  
**Dated: 21<sup>st</sup> October, 2024**  
**Place: Mumbai**





**LLOYDS ENGINEERING WORKS LIMITED**  
(Formerly known as Lloyds Steels Industries Limited)  
**PROFORMA CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

(Rs. in Lakhs)

Particulars	Proforma adjustments Notes	LEWL	TIPL	Proforma Adjustments	Proforma Condensed
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
(a) Property, Plant and Equipment		6,194.00	911.83		7,105.83
(b) Capital Work in Progress		1,064.66	-		1,064.66
(c) Goodwill	4 (A) (iii)	95.98	-	11,796.72	11,892.70
(d) Right To Use		1,458.90	-		1,458.90
(e) Other Intangible assets		-	714.90		714.90
(f) Financial Assets					
(i) Other Financial Assets		105.83	383.52		489.35
(ii) Loans			13.68		13.68
(g) Non-Current Investments		490.01	-		490.01
(h) Deferred Tax Assets (Net)		650.29	-		650.29
(i) Other Non-Current Assets		2,240.52	-		2,240.52
<b>Sub Total Non-Current Assets</b>		<b>12,300.19</b>	<b>2,023.93</b>	<b>11,796.72</b>	<b>26,120.84</b>
<b>Current Assets</b>					
(a) Inventories	4 (B) (ii)	10,198.30	4,131.09	70.46	14,399.85
(b) Financial Assets					
(i) Trade Receivables		15,181.07	7,249.28		22,430.35
(ii) Cash and Cash Equivalents	4 (A) (iii)	12,497.13	503.74	(2,500.00)	10,500.87
(iii) Other Balance with Banks		24.56	489.28		513.84
(iv) Loans		1,887.00	28.56		1,915.56
(v) Other Current Financial Assets	4 (B) (i)	647.34	-	17.17	664.51
(c) Current Tax Assets (Net)		53.48	-		53.48
(d) Other Current Assets	4 (B) (iii)	4,338.75	236.40	(152.12)	4,423.03
<b>Sub Total Current Assets</b>		<b>44,827.63</b>	<b>12,638.35</b>	<b>(2,564.49)</b>	<b>54,901.49</b>
<b>TOTAL ASSETS</b>		<b>57,127.82</b>	<b>14,662.28</b>	<b>9,232.23</b>	<b>81,022.33</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital	4 (A) (i)	11,446.29	1,250.00	(1,073.94)	11,622.35
(b) Other Equity	4 (A) (i)	29,673.52	6,156.86	8,642.17	44,472.55
(c) Minority Interest	4 (A) (iv)	-	-	1,703.58	1,703.58
<b>Total Equity</b>		<b>41,119.81</b>	<b>7,406.86</b>	<b>9,271.81</b>	<b>57,798.48</b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings		465.27	27.15		492.42
(ia) Lease Liabilities		1,178.31			1,178.31
(b) Provisions		407.21	139.82		547.03
(c) Deferred tax liabilities (net)		-	28.42		28.42
(d) Other non-current liabilities		-	11.19		11.19
<b>Sub Total Non-Current Liabilities</b>		<b>2,050.79</b>	<b>206.58</b>	<b>-</b>	<b>2,257.37</b>
<b>Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings		5,615.61	2,235.15		7,850.76
(ia) Lease Liabilities		270.98	-		270.98
(ii) Trade Payable					
- Total Outstanding dues of Micro & Small Enterprises		-	-		-
- Total Outstanding dues of Other Than Micro & Small Enterprises		2,800.27	3,430.08		6,230.35
(iii) Other Financial Liabilities		1,749.36	34.46		1,783.82
(b) Provisions		385.18	322.18		707.36
(c) Other Current Liabilities	4 (B) (iii)	3,135.82	905.58	(39.58)	4,001.82
(d) Current Tax Liabilities (Net)			121.39		121.39
<b>Sub Total Current Liabilities</b>		<b>13,957.22</b>	<b>7,048.84</b>	<b>(39.58)</b>	<b>20,966.48</b>
<b>Total Liabilities</b>		<b>16,008.01</b>	<b>7,255.42</b>	<b>(39.58)</b>	<b>23,223.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>57,127.82</b>	<b>14,662.28</b>	<b>9,232.23</b>	<b>81,022.33</b>

The above financial statements should be read with the notes on basis of preparation and other explanatory notes to the proforma condensed consolidated financials information.

As per our report of even date

For S Y Lodha & Associates

Chartered Accountants

ICAI Firm Reg. No. 136002W

*Shashank Lodha*

Shashank Lodha

Partner

Membership No.: 153498

UDIN: 24153498BKDHXNGJ51

Place: Mumbai

Date: 21<sup>st</sup> October, 2024

For and on behalf of the Board of Directors



Mukesh R. Gupta

Chairman

DIN: 00028347

Kuldeep P. Agrawal

Chief Financial Officer

*Kishore M. Pradhan*

Kishore M. Pradhan

Independent Director

DIN: 02749508

Rahima S. Shaikh

Company Secretary





**LLOYDS ENGINEERING WORKS LIMITED**  
(Formerly known as Lloyds Steels Industries Limited)

**PROFORMA CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2024**

(Rs. in Lakhs)

Particulars	Proforma Adjustments Notes	LEWL	TIPL	Proforma Adjustments	Proforma Condensed
<b>INCOME</b>					
Revenue from Operations	4 (B) (i)	62,423.61	16,731.58		
Other Income		744.00	80.19	(168.51)	78,986.68
<b>Total Income</b>		<b>63,167.61</b>	<b>16,811.77</b>	<b>(168.51)</b>	<b>824.19</b>
					<b>79,810.87</b>
<b>Expenses</b>					
Cost of Raw Material Consumed	4 (B) (i)	33,646.66	11,373.76	(73.14)	44,947.28
Purchase of Traded Goods		3,332.79	-		3,332.79
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	4 (B) (i)	3,285.52	(223.07)	(95.37)	2,967.08
Employee Benefits Expense		3,004.75	2,218.48		5,223.23
Manufacturing and Other Expenses		9,054.20	1,838.36		10,892.56
Finance Costs		416.94	229.10		646.04
Depreciation and Amortization Expense		404.56	140.69		545.25
<b>Total Expenses</b>		<b>53,145.42</b>	<b>15,577.32</b>	<b>(168.51)</b>	<b>68,554.23</b>
<b>Profit before Exceptional Items and Tax</b>		<b>10,022.19</b>	<b>1,234.45</b>		<b>11,256.64</b>
Exceptional Items		-	10.05		10.05
<b>Profit Before Tax</b>		<b>10,022.19</b>	<b>1,224.40</b>		<b>11,246.59</b>
<b>Tax Expense:</b>					
(1) Current Tax		2,591.13	318.38		2,909.51
(2) Deferred Tax Expenses / (Income)		(552.77)	(12.31)		(565.08)
(3) Tax Expense of Earlier Years			(0.24)		(0.24)
<b>Total Tax Expenses</b>		<b>2,038.36</b>	<b>305.83</b>		<b>2,344.19</b>
<b>Profit for the Period</b>		<b>7,983.83</b>	<b>918.57</b>		<b>8,902.40</b>
<b>Other Comprehensive Income</b>					
Items not to be reclassified to profit or loss					
Re-measurement (losses)/gains on defined benefit plans		39.70	-		39.70
Income Tax relating to items not to be reclassified to Profit and Loss		(9.99)	-		(9.99)
<b>Other Comprehensive Income for the year</b>		<b>29.71</b>	<b>-</b>		<b>29.71</b>
<b>Total Comprehensive (loss) / gain for the year</b>		<b>8,013.54</b>	<b>918.57</b>		<b>8,932.11</b>
<b>Profit for the Year attributable to:</b>					
Shareholders of the company		7,983.83	707.30		8,691.13
Non-Controlling Interest		-	211.27		211.27
<b>Profit for the year</b>		<b>7,983.83</b>	<b>918.57</b>		<b>8,902.40</b>
<b>Other Comprehensive expense for the year attributable to:</b>					
Shareholders of the Company		29.71	-		29.71
Non-Controlling interest		-	-		-
<b>Other comprehensive expense for the year, net of tax</b>		<b>29.71</b>	<b>-</b>		<b>29.71</b>
<b>Total Comprehensive income for the year attributable to:</b>					
Shareholders of the company		8,013.54	707.30		8,720.84
Non-controlling interest		-	211.27		211.27
<b>Total Comprehensive Income for the year</b>		<b>8,013.54</b>	<b>918.57</b>		<b>8,932.11</b>
<b>Earnings per share (in Rs.)</b>					
EPS – Basic (in Rs.)					0.82
EPS – Diluted (in Rs.)					0.82

The above financial statements should be read with the notes on basis of preparation and other explanatory notes to the proforma condensed consolidated financials information.

As per our report of even date

For S Y Lodha & Associates  
Chartered Accountants  
ICAI Firm Reg. No. 136002W

*Shashank Rodhe*

Shashank Lodha  
Partner  
Membership No.: 153498  
UDIN: 241534988KDHXG151  
Place: Mumbai  
Date: 21<sup>st</sup> October, 2024



For and on behalf of the Board of Directors

*M. Supto*  
Mukesh R. Gupta  
Chairman  
DIN: 00028347  
Rajesh P. Agrawal  
Chief Financial Officer

*Kishore M. Padhan*  
Kishore M. Padhan  
Independent Director  
DIN: 02749508  
Rahima S. Shaikh  
Company Secretary





**LLOYDS ENGINEERING WORKS LIMITED (Formerly known as Lloyds Steels Industries Limited)**  
Notes to the proforma condensed consolidated financial information for the year ended 31<sup>st</sup> March 2024

**1. Background of transaction and of entities forming part of proforma condensed consolidated financial information**

Our Company was incorporated as "Climan Properties Private Limited" on 19<sup>th</sup> September, 1994, as a Private Limited Company under the Companies Act, 1956, and was granted the Certificate of Incorporation by the Registrar of Companies, Mumbai. Subsequently, our Company was converted into a Public Limited Company and the name of our Company was changed to "Climan Properties Limited" on 17<sup>th</sup> April, 2000, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. Thereafter, the name of our Company was changed from "Climan Properties Limited" to "Encon Technologies Limited" pursuant to a fresh Certificate of Incorporation dated 19<sup>th</sup> April, 2000. Subsequently, the name of our Company was changed to "Lloyds Encon Technologies (I) Limited" on 31<sup>st</sup> May, 2011, vide a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai. The name of our Company was changed to "Lloyds Steels Industries Limited" on 04<sup>th</sup> May, 2013, vide a fresh Certificate of Incorporation issued by the Registrar of Companies, Mumbai. Pursuant to a scheme of arrangement ("Scheme") between Uttam Value Steels Limited ("UVSL") and Lloyds Steels Industries Limited, the engineering division of UVSL was demerged from UVSL into Lloyds Steels Industries Limited, by the Hon'ble High Court of Judicature at Bombay vide its order dated 30<sup>th</sup> October, 2015, and speaking to minutes of the order dated 30<sup>th</sup> November, 2015. Subsequent to the sanction of the Scheme, Lloyds Steels Industries Limited was listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 18<sup>th</sup> July, 2016. The name of our Company was changed from "Lloyds Steels Industries Limited" to its present name "Lloyds Engineering Works Limited" vide a fresh Certificate of Incorporation dated 25<sup>th</sup> July, 2023, issued by the Registrar of Companies, Mumbai. Our Company is a process plant equipment manufacturing company. Our Company, inter alia, provides engineering and infrastructure solutions, encompassing designing, engineering, manufacturing, fabrication and installation of heavy equipment, as well as machinery and systems for customers of hydrocarbon (oil & gas) sector, steel processing industries, captive power plants used in steel plants, marine sector, ports, heat exchangers used by nuclear power plants as well as other projects. We also offer services in civil construction related projects.

Techno Industries Private Limited (TIPL) is a Private Limited company, incorporated under the provisions of the companies act 1956 on 01<sup>st</sup> May, 2000, engaged in the business of manufacturing of escalator, elevator and motors and pumps.

On 15<sup>th</sup> October, 2024, our Company acquired 77.00 % stake in TIPL by way of acquisition of equity shares of TIPL. The company has issued 1,76,05,634 Equity shares by way of preferential issue to Mr. Bharat Patel Promoter of TIPL for acquisition of 66.00% of Share Capital of TIPL and paid a sum of Rs 2,500.00 Lakhs to Mr. Bharat Patel for acquisition of 11.00 % stake of TIPL. Therefore, with effect from 15<sup>th</sup> October, 2024 TIPL became Material Subsidiary of the company.

The company along with TIPL is herein after collectively referred to as the group.

**2. Basis of Preparation**

The proforma condensed consolidated financial information has been prepared by the management of the Company in accordance with the requirements of paragraph 11 of item (I) (B) (iii) of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") to reflect the impact of a material acquisitions, as defined in SEBI Regulations, made after the date of the latest annual audited financial statements of the Company, viz., 31<sup>st</sup> March, 2024.

The proforma condensed consolidated financial information of the Company comprising the proforma condensed consolidated balance sheet as at 31<sup>st</sup> March, 2024, the proforma condensed consolidated statement of profit and loss for the year ended 31<sup>st</sup> March, 2024, read with the selected explanatory notes to the proforma condensed consolidated financial information (collectively "proforma condensed consolidated financial information"), has been prepared as per the requirements of SEBI Regulations to reflect acquisition of TIPL. Because of their nature, the proforma condensed consolidated financial information addresses & hypothetical situation and therefore, do not represent the Company's actual consolidated financial position as at 31<sup>st</sup> March, 2024 nor does it represent the Company's consolidated financial results for the year ended 31<sup>st</sup> March, 2024. They purport to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented and the consolidated financial position had the acquisition been completed as at the year end, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company.

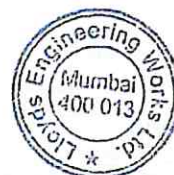
The proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such proforma condensed financial information has not been prepared in accordance with standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be even more limited.

The proforma condensed consolidated financial information prepared by the management is based on:

- a) the balance sheet of the Company as at 31<sup>st</sup> March, 2024 and the statement of profit and loss of the Company for the year ended 31<sup>st</sup> March, 2024 prepared in accordance with SEBI Regulations.
- b) the restated audited financial statement comprising of balance sheet and statement of profit and loss of TIPL as at and for the year ended 31<sup>st</sup> March, 2024 have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act 2013 ('the Act') and other relevant provisions of the Act.
- c) The proforma condensed consolidated financial information does not include any adjustment for liabilities or related costs that may result from acquisition of TIPL, nor do they reflect any adjustments for potential synergies that may result from acquisition of TIPL.

**3. Proforma adjustment related to accounting policies**

The proforma condensed consolidated financial information have been compiled to reflect the respective accounting policies adopted by the Company and TIPL and hence, there are no adjustments related to uniformity of accounting policies in this proforma condensed consolidated financial information.





#### 4. Proforma adjustments related to acquisition

A) The following adjustments have been made to proforma condensed consolidated balance sheet:

(i) Shareholder's funds of the Company and TIPL are as under:

Particulars	Equity Share Capital	Other Equity	(Rs. in Lakhs) Total
Shareholder's funds of the Company	11,446.29	29,673.52	41,119.81
Shareholder's funds of TIPL	1,250.00	6,156.86	7,406.86
Cancellation of Equity of TIPL resulting out of proforma adjustments	12,696.29	35,830.38	48,526.67
Issue of equity shares by the company	(1,250.00)	(6,156.86)	(7,406.86)
Profit Element in Goods in Transit	176.06	14,823.94	15,000.00
Net change in shareholder's fund	-	(24.91)	(24.91)
Total shareholder's funds	(1,073.94)	8,642.17	7,568.23
	11,622.35	44,472.55	56,094.90

(ii) Provisional purchase price allocation: The provisional allocation of the total purchase price on the basis of fair value of assets and liabilities taken over by the company as follows: -

Particulars	(Rs. in Lakhs) Amount
Current Assets	12,638.35
Non-Current Assets	2,023.93
Total Assets (A)	14,662.28
Current liabilities	7,048.84
Non-Current Liabilities	206.58
Total Liability (B)	7,255.42
Net Assets as at 31 <sup>st</sup> March, 2024 (A-B)	7,406.86

(iii) Goodwill arising on acquisition

Particulars	(Rs. in Lakhs) Amount
Consideration transferred (in kind) (A)	15,000.00
Consideration transferred (in cash) (B)	2,500.00
Total Consideration (C)=(A+B)	17,500.00
Net assets as at 31 <sup>st</sup> March, 2024	7,406.86
% Stake Acquired	77.00%
Share of Net Assets (D)	5,703.28
Goodwill (C-D)	11,796.72

(iv) Minority Interest

Particulars	(Rs. in Lakhs) Amount
Net assets as at 31 <sup>st</sup> March, 2024	7,406.86
Minority Interest (%)	23.00%
Minority Interest	1,703.58

(B) The Following intercompany adjustments have been made to proforma condensed consolidated financial statement.

(i) Purchase and Sale transaction in the holding and subsidiary company (includes any changes in inventory and GST upon such transaction)

Particulars	(Rs. in Lakhs) Amount
Sales by subsidiary company to holding company	168.51
Purchase by holding company from subsidiary company	73.14
Stock in transit	95.37
GST impact of stock in transit	17.17

The proforma adjustment consist of sale from subsidiary to holding company. The holding company has recorded purchase of Rs. 73.14 Lakhs in its standalone financials whereas subsidiary has recorded the sale of Rs. 168.51 Lakhs in its standalone financials which is on account of timing differences while recording the purchase (upon actual receipt of goods) and sale (significant risk and reward of ownership of goods have been transferred) in the books of holding and subsidiary company. As at reporting date above impact of timing difference is considered and no further adjustment is required to be done on account of the same in the Condensed Consolidated Financial Statements.

(ii) Inventory

Particulars	(Rs. in Lakhs) Amount
Inventory	95.37
Stock Reserve	(24.91)
Inventory net of Stock Reserve	70.46



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(iii) Outstanding Balances in the books of holding and subsidiary companies

(Rs. in Lakhs)	
Particulars	Amount
Advance to supplier in the books of holding company	152.12
Advance from customer in the books of subsidiary company	39.58

The proforma adjustment consist of advance given from holding to subsidiary company. The holding company has recorded advance to supplier of Rs. 152.12 Lakhs in its standalone financials whereas subsidiary has recorded the advance from customer of Rs. 39.58 Lakhs in its standalone financials which is on account of timing differences while recording the purchase (upon actual receipt of goods) and sale (significant risk and reward of ownership of goods have been transferred) in the books of holding and subsidiary company. As at reporting date above impact of timing difference is considered and no further adjustment is required to be done on account of the same in the Condensed Consolidated Financial Statements.

As per our report of even date

For S Y Lodha & Associates  
Chartered Accountants  
ICAI Firm Reg. No. 136002W

*Sureshank Lodha*  
Sureshank Lodha  
Partner  
Membership No.: 153498  
UDIN: 241534986KDXN6151  
Place: Mumbai  
Date: 21<sup>st</sup> October, 2024



For and on behalf of the Board of Directors

*Mukesh R. Gupta*  
Mukesh R. Gupta  
Chairman  
DIN: 00028347  
*Kalpesh P. Agrawal*  
Kalpesh P. Agrawal  
Chief Financial Officer

*Kishore M. Pradhan*  
Kishore M. Pradhan  
Independent Director  
DIN: 02799908  
*Rahima S. Shalikh*  
Rahima S. Shalikh  
Company Secretary





