

GUJARAT VICTORY FORGINGS LIMITED (formerly known as "GUJARAT VICTORY FORGINGS PRIVATE LIMITED")
(CIN U27201GJ1990PLC014433)
RESTATED CONSOLIDATED BALANCE SHEET

(₹ in Million)

Particulars	Note No.	As at 30th September, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2023
ASSETS					
Non-Current Assets					
(a) Property, Plant & Equipment	6	387.76	369.37	384.99	260.21
(b) Capital Work-in-Progress	7	-	380.99	336.34	181.39
(c) Right of Use Assets		-	-	-	-
(d) Investment Property	8	49.95	49.95	-	-
(e) Intangible Assets	9	-	0.25	0.31	-
(f) Financial Assets					
(i) Investments	10	250.22	243.23	283.20	237.64
(ii) Loans	11	279.69	-	-	-
(iii) Other Financial Assets	12	11.14	8.49	8.49	8.49
(g) Deferred Tax Assets (net)		-	-	-	-
(h) Other non-current assets	13	75.37	49.80	48.90	49.78
		1,054.13	1,102.07	1,062.23	737.52
Current Assets					
(a) Inventories	14	808.96	759.73	299.83	252.70
(b) Financial Assets					
(i) Trade Receivables	15	543.79	305.05	229.63	308.66
(ii) Cash and Cash Equivalents	16	15.55	109.96	16.23	26.10
(iii) Bank Balances other than mentioned in Cash and Cash Equivalent	17	75.42	105.43	33.36	1.64
(iv) Loans	11	17.49	36.98	-	-
(v) Other Financial Assets	12	76.38	-	-	-
(c) Other Current Assets	13	110.31	94.32	171.44	329.84
		1,647.89	1,411.48	750.48	918.94
TOTAL ASSETS		2,702.03	2,513.55	1,812.72	1,656.46
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	18	1.73	1.73	1.73	1.73
(b) Other Equity	19	1,090.96	868.37	641.52	540.12
Equity attributable to Owners		1,092.68	870.09	643.24	541.85
(c) Non controlling interest		-	(30.53)	(8.74)	(0.66)
Total Equity		1,092.68	839.56	634.50	541.19
Liabilities					
Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	20	19.75	134.88	118.19	19.15
(b) Provisions	22	2.85	2.76	3.62	3.22
(c) Deferred Tax Liabilities (Net)	23	18.12	17.15	15.13	5.04
(b) Other Non-Current Liabilities	24	-	-	-	-
		40.71	154.78	136.94	27.41
Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	20	354.32	132.44	136.78	93.55
(ii) Trade Payables					
- Total outstanding dues of micro enterprise and small enterprise	25	236.12	139.87	6.14	17.01
- Total outstanding dues of creditors other than micro enterprise and small enterprise		720.06	846.88	750.53	758.42
(iii) Other Financial Liability	21	20.47	37.96	32.11	161.11
(b) Other Current Liabilities	24	194.12	325.91	107.25	51.86
(c) Provisions	22	6.51	6.66	5.21	5.13
(d) Current Tax Liabilities (Net)		37.02	29.47	3.26	0.78
		1,568.63	1,519.20	1,041.28	1,087.86
TOTAL EQUITY AND LIABILITIES		2,702.03	2,513.55	1,812.72	1,656.46
See accompanying notes forming part of the financial statements	1 to 51				

As per our report of even date.
For, Parikh Mehta & Associates
Chartered Accountants
FRN: 112832W

Tejal Parikh
Partner
Mem. No. 109600

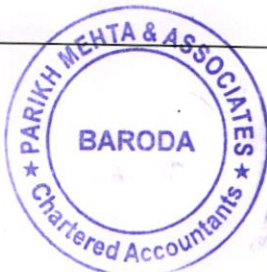
Place: Vadodara
Date: March 23, 2026

For & on behalf of the Board of Directors of
Gujarat Victory Forgings Limited
(Formerly known as "Gujarat Victory Forgings Private Limited")

Rahul Agrawal
Managing Director
DIN: 02523976
Manav Prajapati
Chief Financial Officer

Vijendrakumar Gupta
Director
DIN: 01035583
Kumar Sonalika
Company Secretary

Place: Vadodara
Date: March 23, 2026



GUJARAT VICTORY FORGINGS LIMITED (formerly known as "GUJARAT VICTORY FORGINGS PRIVATE LIMITED")

(CIN U27201GJ1990PLC014433)

RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Million)

Particulars	Note No.	For the period ended 30th September, 2025	For the year ended 31st March, 2025	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Income					
Revenue from Operations	26	3,445.73	6,076.50	5,111.51	5,453.85
Other Income	27	103.32	64.60	43.05	20.25
Total Income		3,549.05	6,141.10	5,154.56	5,474.09
Expenses					
Cost of material consumed	28	3,210.58	5,816.47	4,840.02	4,936.73
Purchase of Stock-in-Trade		-	-	-	283.86
Changes in Inventories	29	(69.02)	(246.96)	(60.77)	(62.02)
Employee Benefits Expense	30	14.60	26.59	29.51	23.62
Finance Costs	31	7.90	11.39	5.70	2.46
Depreciation and Amortisation Expense	6 & 9	24.87	44.82	33.60	23.58
Other Expenses	32	83.50	196.61	149.36	151.62
Total Expenses		3,272.44	5,848.91	4,997.42	5,359.84
Profit before share of profit/(loss) of Associate		276.61	292.19	157.14	114.25
Share of profit/(loss) of Associate		(0.04)	-	-	-
Profit before tax		276.57	292.19	157.14	114.25
Tax Expense:					
Current Tax		51.99	86.40	54.12	48.10
Tax Expense relating to earlier Years		-	-	-	-
Deferred Tax		0.84	2.04	9.97	5.22
Total Tax Expense	33	52.82	88.44	64.09	53.31
Profit / (Loss) for the year		223.74	203.75	93.05	60.94
Other Comprehensive Income (OCI)					
(A) Items that will be reclassified to profit or loss					
Exchange differences on translation of financial statements of foreign operations		(3.32)	0.97	0.05	0.00
Income tax effect on above		-	-	-	-
(B) Items that will not be reclassified to profit or loss					
Re-measurement gains/ (losses) on defined benefit plans		0.51	0.32	0.33	0.69
Income tax effect on above	33	(0.13)	0.02	(0.12)	(0.24)
Net other comprehensive income that will not be reclassified to profit or loss		(2.93)	1.31	0.27	0.45
Total comprehensive income for the year		220.81	205.06	93.32	61.39
Net profit attributable to:					
(a) Owners of the company		222.82	225.93	101.15	61.63
(b) Non controlling interest		0.92	(22.18)	(8.10)	(0.69)
Other comprehensive income attributable to:					
(a) Owners of the company		(1.61)	0.92	0.25	0.45
(b) Non controlling interest		(1.33)	0.39	0.02	0.00
Total comprehensive income attributable to:					
(a) Owners of the company		221.22	226.85	101.40	62.08
(b) Non controlling interest		(0.41)	(21.79)	(8.08)	(0.69)
Earnings per Share (Face Value of ₹ 10/- each):					
Basic and Diluted Earnings per equity share (in ₹)	34	3.30	3.35	1.50	0.91
See accompanying notes forming part of the financial statements	1 to 51				

As per our report of even date.
For, Parikh Mehta & Associates
Chartered Accountants
FRN: 112832w

T.A. Parikh

Tejal Parikh
Partner
Mem. No. 109600

Place: Vadodara
Date: March 23, 2026

For & on behalf of the Board of Directors of
Gujarat Victory Forgings Limited
(Formerly known as "Gujarat Victory Forgings Private Limited")

Rahul Agrawal
Rahul Agrawal
Managing Director
DIN: 02523976
Manav Prajapati
Manav Prajapati
Chief Financial Officer

Vijendra Kumar Gupta
Vijendra Kumar Gupta
Director
DIN: 01035583
K. Sanalika
Kumari Sanalika
Company Secretary

Place: Vadodara
Date: March 23, 2026



GUJARAT VICTORY FORGINGS LIMITED (formerly known as "GUJARAT VICTORY FORGINGS PRIVATE LIMITED")
(CIN U27201GJ1990PLC014433)
RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS

(₹ in Million)

Particulars	Period ended		Year ended		Year ended		Year ended	
	30th September, 2025		31st March, 2025		31st March, 2024		31st March, 2023	
Cash flow from operating activities								
Net Profit before tax		276.57		292.19		157.14		114.25
Adjustments for:								
Depreciation and amortisation	24.87		44.82		33.60		23.58	
Finance costs	7.90		11.39		5.70		2.46	
Interest income	(15.13)		(10.72)		(1.57)		(0.97)	
Sundry Credit Balances written back	-		(0.22)		(0.40)		(1.39)	
Unrealised foreign currency (gain)/loss	(14.56)		(2.05)		(0.81)		(0.38)	
Fair value on mutual fund	(7.00)		(18.55)		(16.70)		(2.24)	
Provision for ECL	6.71		1.97		(3.93)		(4.99)	
Share of Profit of Associate	0.04							
Gain on loss of control in Subsidiary	(45.07)							
BRL loss of control adjustment	(2.30)							
Allowance for Doubtful Trade Receivables								
Operating profit / (loss) before working capital changes		(44.54)		26.63		15.88		16.06
Changes in working capital:		232.03		318.82		173.02		130.31
<u>Adjustments for (increase) / decrease in operating assets:</u>								
Inventories	(118.06)		(459.90)		(47.13)		67.20	
Trade receivables	(252.34)		(76.12)		83.83		(65.56)	
Other Financial Assets	27.36		(72.07)		(31.72)		172.12	
Other non Financial Assets	(43.60)		76.99		158.41		(147.53)	
		(386.64)		(531.10)		163.39		26.22
<u>Adjustments for increase/(decrease) in operating liabilities:</u>								
Trade payables	8.07		232.08		(18.36)		166.24	
Other Financials Liabilities	2.46		5.85		(129.00)		119.14	
Other Non-Financial Liabilities & Provisions	(120.27)		219.56		56.20		(19.90)	
		(109.74)		457.50		(91.15)		265.49
		(264.34)		245.22		245.26		422.02
Cash generated from operations		(264.34)		245.22		245.26		422.02
Net tax (paid) / refunds		(44.44)		(60.19)		(51.63)		(47.46)
Net cash flow from / (used in) operating activities (A)		(308.78)		185.03		193.62		374.57
Cash flow from investing activities								
Purchase of Property, Plant & Equipment (including CWIP)	(37.74)		(73.82)		(313.63)		(234.04)	
Investments	(0.04)		58.53		(28.86)		(144.75)	
Loan given	19.49		(36.98)		-		-	
Payments for Investment Property	(25.62)		(50.72)		0.88		(11.00)	
Proceeds from sale of fixed assets								
Interest received	(1.33)		10.72		1.57		0.97	
		(45.24)		(92.27)		(340.04)		(388.81)
Net cash flow from / (used in) investing activities (B)		(45.24)		(92.27)		(340.04)		(388.81)



GUJARAT VICTORY FORGINGS LIMITED (formerly known as "GUJARAT VICTORY FORGINGS PRIVATE LIMITED")
(CIN U27201GJ1990PLC014433)
RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS (Contd.)

(₹ in Million)

Particulars	Period ended 30th September, 2025		Year ended 31st March, 2025		Year ended 31st March, 2024		Year ended 31st March, 2023	
Cash flow from financing activities								
Net Proceeds from Long Term Borrowings	(8.54)		16.69		99.03		6.65	
Net Proceeds from Short Term Borrowings	286.33		(4.34)		43.23		17.14	
Proceeds from issue of shares							0.03	
Interest & Financing Charges Paid	(7.90)	269.89	(11.39)	0.97	(5.70)	136.56	(2.46)	21.36
Net cash flow from / (used in) financing activities (C)		269.89		0.97		136.56		21.36
Net increase/(decrease) in Cash and cash equivalents(A+B+C)		(84.14)		93.73		(9.86)		7.12
Cash and cash equivalents at the beginning of the year		109.96		16.23		26.10		18.98
Opening Cash and cash equivalents of BRL		10.27						
Cash and cash equivalents at the end of the year (Refer Note-15)		15.55		109.96		16.23		26.10
Components of Cash & cash equivalents:								
(a) Cash on hand		15.54		14.65		13.24		8.04
(b) Cheques, drafts on hand		-		-		-		-
(c) Balances with banks In Current Account		0.01		95.31		2.99		18.05
Total Cash and cash equivalents		15.55		109.96		16.23		26.10

Notes:

- (i) The above Restated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard - 7 "Statement of Cash Flows".
(ii) Previous year figures have been regrouped and/or rearranged wherever considered necessary

As per our report of even date.

For, Parikh Mehta & Associates
Chartered Accountants
FRN: 112832w

Tejal Parikh
Partner
Mem. No. 109600

Place: Vadodara
Date: March 23, 2026



For & on behalf of the Board of Directors of
Gujarat Victory Forgings
(Formerly known as "Gujarat Victory Forgings Private Limited")

Rahul Agrawal
Managing Director
DIN: 02523976
Manav Prajapati
Chief Financial Officer

Vijendrakumar Gupta
Director
DIN: 01035583
Kumari Sonalika
Company Secretary

Place: Vadodara
Date: March 23, 2026



Note (a) : Equity share capital

Particulars	As at				
	30th Sep, 2025	31st March, 2025	31st March, 2024	31st March, 2023	31st March, 2023
Balance at the beginning of the year	1.73	1.73	1.73	1.73	1.73
Changes in equity share capital due to prior period errors	-	-	-	-	-
Restated balance at the beginning of the year	1.73	1.73	1.73	1.73	1.73
Changes in equity share capital during the year	-	-	-	-	-
Balance at the end of the year	1.73	1.73	1.73	1.73	1.73

Note (b) : Other equity

Particulars	GVEPL	BRL	Adjustment	Reserves & Surplus		Items of OCI		Equity Attributable to Owners	Non Controlling Interest	Total Equity
				Retained Earnings	Foreign Currency Translation Reserve	Equity Instruments Through OCI	Other Item of OCI			
Balance as at April 01, 2022 (as previously reported)	425.87	-	-	425.87	-	-	-	425.87	-	425.87
Impact of Ind As adjustment to retained earning	(16.71)	-	-	(16.71)	-	-	-	(16.71)	-	(16.71)
Adjustment for prior period errors	68.88	-	-	68.88	-	-	-	68.88	-	68.88
Restated Balance as at 1st April, 2022	478.04	0	-	478.04	-	-	-	478.04	-	478.04
Acquisition of subsidiary during the year	-	-	-	-	-	-	-	-	-	-
Profit for the year	62.66	(0.12)	(0.91)	61.63	-	-	-	61.63	0.03	60.94
Other comprehensive income for the year net of income tax	0.00	-	-	-	0.00	-	-	0.00	0.00	0.00
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.45	-	-	-	-	-	-	0.45	-	0.45
Total comprehensive income for the year	63.11	(0.12)	(0.91)	61.63	0.00	-	-	62.08	(0.66)	61.42
Transfer to General reserve	63.11	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2023	541.15	(0.12)	(0.91)	539.67	0.00	-	-	540.12	(0.66)	539.46
Balance as at April 01, 2023	541.15	(0.12)	(0.91)	539.67	0.00	-	-	540.12	(0.66)	539.46
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2023	541.15	(0.12)	(0.91)	539.67	0.00	-	-	540.12	(0.66)	539.46
Profit for the year	113.30	-0.28	-11.87	101.15	0.00	-	-	101.15	(8.10)	93.05
Other comprehensive income for the year net of income tax	0	-	-	-	0.03	-	-	0.03	0.02	0.05
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.22	-	-	-	-	-	-	0.22	-	0.22
Total comprehensive income for the year	113.51	-0.28	-11.87	101.15	0.03	-	-	101.40	(8.08)	93.32
Transfer to General reserve	113.51	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2024	654.66	(0.41)	(12.77)	640.82	0.03	-	-	641.52	(8.74)	632.78



Balance as at April 01, 2024	654.66	(0.41)	(12.77)	640.82	0.03	-	0.66	641.52	(8.74)	632.78
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2024	654.66	(0.41)	(12.77)	640.82	0.03	-	0.66	641.52	(8.74)	632.78
Profit for the year	259.20	(9.81)	-23.46	225.93	-	-	-	225.93	(22.18)	203.75
Other comprehensive income for the year net of income tax	0	-	-	-	0.58	-	-	0.58	0.39	0.97
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.34	-	-	-	-	-	0.34	0.34	-	0.34
Total comprehensive income for the year	259.54	(9.81)	-23.46	225.93	0.58	-	0.34	226.85	(21.79)	205.06
Transfer to General reserve	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2025	914.20	(10.22)	(36.23)	866.75	0.62	-	1.00	868.37	(30.53)	837.84
Balance as at April 01, 2025	914.20	(10.22)	(36.23)	866.75	0.62	-	1.00	868.37	(30.53)	837.84
Changes in accounting policy or prior period errors	0	-	-	-	-	-	-	-	-	-
Restated Balance as at 1st April, 2025	914.20	(10.22)	(36.23)	866.75	0.62	-	1.00	868.37	(30.53)	837.84
Profit for the period	221.44	(0.19)	1.57	222.82	-	-	-1.00	222.82	0.92	223.74
Other comprehensive income for the year net of income tax	0	-	-	-	(1.99)	-	-	(1.99)	(1.33)	(3.32)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0.38	-	-	-	-	-	0.38	0.38	-	0.38
Derecognition due to Loss of Control	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	221.83	(0.19)	1.57	222.82	1.37	-	0.38	222.59	30.53	253.12
Transfer to General reserve	-	-	-	-	(0.62)	-	-	-	-	-
Balance as at 30th September, 2025	1,136.03	(10.41)	(34.66)	1,089.57	0.00	-	1.38	1,090.96	-	1,090.96

See accompanying notes forming part of the financial statements

As per our report of even date.
For, Parikh Mehta & Associates
Chartered Accountants
FRN: 112832W



For & on behalf of the Board of Directors of
Gujarat Victory Forgings Limited
(Formerly known as "Gujarat Victory Forgings Private Limited")

Rahul Agrawal
Rahul Agrawal
Managing Director
DIN: 02523976
Chief Financial Officer

Vijendra Kumar Gupta
Vijendra Kumar Gupta
Director
DIN: 01035583
Company Secretary

Place: Vadodara
Date: March 23, 2026

Place: Vadodara
Date: March 23, 2026

Tejal Parikh
Partner
Mem. No. 109600

Notes to the Restated Consolidated Financial Statement

1. Corporate Information	<p>Gujarat Victory Forgings Limited (formerly known as Gujarat Victory Forgings Private Limited), the holding company, is incorporated on 26/09/1990 having its Corporate Identity Number U27201GJ1990PLC014433 having its Registered Office B.No. 1147, Old RS No. 1558, Village Manjusar, Lamdapura, Savli, Vadodara, Gujarat- 391775. The Company had one subsidiary registered in Zambia with 60% holding namely Buntingwa Resources Limited (BRL) since 10/02/2023. On 30 June 2025, pursuant to an investment by another investor in BRL, the shareholding of the Company in BRL was diluted from 60% to 45%. As a consequence of the said transaction and the resultant change in control and governance rights, the Company no longer has control over BRL and BRL ceased to be a subsidiary and has been classified as an associate of the Company, collectively known as the Group. The holding company is involved in business of manufacturing of master alloys of copper and other various copper products etc. The holding company has become Public Limited Company w.e.f March 07, 2026 and consequently the name of the company has changed from Gujarat Victory Forgings Private Limited to Gujarat Victory Forgings Limited.</p> <p>The Restated Consolidated Financial Statements are authorized for issue by the Board of Directors on March 23, 2026.</p>
2. Basis of Preparation of Consolidated Financial Statement	
2.01 Statement of Compliance with Ind AS	<p>The Restated Consolidated Financial Information relates to the Group and has been specifically prepared for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offer ("IPO") of equity shares of the Holding Company (referred to as the "Offer"). The Restated Consolidated Financial Statement comprise of the Restated Balance Sheet as at 30th September, 2025, March 31st, 2025, March 31st, 2024 and March 31st, 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Cash Flow Statement, the Restated Statement of Changes in Equity and Statement of Material Accounting Policies and other explanatory information for the Period ended 30th September, 2025 and Years ended March 31st, 2025, March 31st, 2024 and March 31st, 2023 of the Group (hereinafter collectively referred to as "Restated Consolidated Financial Information") as approved by the board of directors of the company at their meeting held on March 23, 2026, for the purpose of inclusion in the Red Herring Prospectus ("RHP")/the prospectus prepared by the Holding Company in connection with its proposed Initial Public Offer of equity shares ("IPO").</p> <p>The same has been prepared to comply in all material respects with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act") read with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, in pursuance of provisions of Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") and The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").</p> <p>The Restated Financial Information has been compiled by the Management from:</p> <p>Audited special purpose interim consolidated Ind AS financial statements of the Group as at and for the six month period ended September 30, 2025 prepared in accordance with Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Ind AS Financial Statements") which have been approved by the Board of Directors at their meeting held on March 23, 2026.</p> <p>The Special purpose consolidated Ind AS financial statements as at and for the year ended March 31, 2025, March 31, 2024, and March 31, 2023 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP for the holding company and Zambian GAAP for BRL, values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2022) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the six month period ended September 30, 2025.</p> <p>The financial statements have been prepared using historical cost convention and on an accrual method of accounting, except for the following assets and liabilities which have been measured at fair value, as required by relevant Ind AS.</p> <ol style="list-style-type: none">i. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)ii. Defined benefit plans <p>Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition, or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.</p> <p>Financial statements are presented in Indian Rupees (₹) which is the functional and presentation currency, and all values are rounded off to the nearest lakhs with two decimals, except where otherwise indicated.</p>



Notes to the Restated Consolidated Financial Statement

2.02 Basis of consolidation

i) Subsidiary

Subsidiary are all entities over which the Group has control. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its power and involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiary are considered for consolidation when the Group obtains control over the subsidiary and are derecognized when the Group loses control of the subsidiary. Subsidiary have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains resulting on intra-group transactions are eliminated in full. Unrealized losses resulting from intra-group transactions are eliminated in arriving at the carrying amount of assets unless transaction provides an evidence of impairment of transferred asset.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the Statement of Profit and Loss and Consolidated Balance Sheet, separately from parent shareholders' equity. Profit and loss is attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiary that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Groups interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary.

ii) Associates - Equity Accounting

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of post-acquisition profits or losses and that of other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. Unrealized gains and losses resulting from transactions between the Group, Associate entities are eliminated to the extent of the interest in the Associate entities.

After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there exists such evidence, the Group determines extent of impairment and then recognizes the loss in the Statement of Profit and Loss.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate and the fair value of the retained investment and proceeds from disposal is recognized in profit and loss.

The list of companies included in consolidation, relationships with the company and shareholding therein is provided in Note No. 47.

iii) The Restated consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the holding company for its separate financial statements.

iv) The Restated consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except for differences disclosed in financial statements.

v) The financial statements of the group entities used in the consolidation are drawn up to the same reporting date as of the Holding Company.

2.03 Functional and presentation currency

The Restated Consolidated Financial statements are presented in Indian Rupees (₹) which is the functional and presentation currency, and all values are rounded off to the nearest millions with two decimals, except where otherwise indicated.

2.04 Current and non-current classification

The classification of assets and liabilities of the Group is done into current and non-current based on the operating cycle of the business of the Group. The operating cycle of the business of the Group is less than twelve months and therefore all current and non-current classifications are done based on the status of reliability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.



Notes to the Restated Consolidated Financial Statement

2.05 Fair value measurement

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

- In the principal market for the asset or liability, or

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

3 Material Accounting Policies

3.01 Property, Plant & Equipment

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Freehold land is carried at historical cost. All other items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable taxes and levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost. Otherwise, such items are classified as inventories. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital Work in Progress

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress.

Depreciation methods, estimated useful lives and residual value

Depreciation on Property, plant and equipment is provided on Straight Line Method as per the useful life prescribed in Schedule II to the Company's Act, 2013 or based on technical assessment by the company taking into account the nature of asset, usage of asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes and past history of replacement. Depreciation on additions to Property, plant and equipment and assets disposed off/ discarded is charged on pro-rata basis.

The useful life of the assets is as follows:

Description of Assets	Useful Life
Factory Shed & Building	30 Years
Plant & Machineries	9 Years
Office Equipments	6 Years
Furniture	20 Years
Electrical Installations	20 Years
Laboratory Equipments	20 Years
Vehicles	6 Years
Computer	6.5 Years



Notes to the Restated Consolidated Financial Statement

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the De-recognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

Capital advances

Advances given towards acquisition of Property, Plant and Equipment outstanding at end of each reporting period are disclosed as other non-current assets.

3.02 Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets. Computer software where it is expected to provide future enduring economic benefits is capitalized. The capitalized cost includes license fees and cost of implementation/system integration services. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. These are included in profit or loss within other gains/ (losses).

3.03 Investment properties

Investment properties comprise portions of land that are held for capital appreciation.

Property used in production or supply of goods or services and also held to earn rentals / capital appreciation is accounted separately as investment property only if portion of property held to earn rental / capital appreciation can be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Further property with provision of ancillary services to the occupants is treated as investment property if the services are insignificant to the arrangement as a whole. Investment property shall be recognised as an asset when and only when: (a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and (b) the cost of the investment property can be measured reliably.

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 item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed to Statement of Profit and Loss as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

3.04 Impairment of non- financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses including impairment on inventories, are recognized in the statement of profit and loss.



Notes to the Restated Consolidated Financial Statement

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss as an exceptional item.

3.05 Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

However, Raw material and work-in-progress held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined Weighted Average Cost basis.

Finished goods and work-in-progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on Weighted Average Cost basis.

Net realisable value represents the estimated selling price of inventories less all estimated costs of completion & costs necessary to make the sale.

3.06 Revenue Recognition

The Holding Company derives revenues primarily from manufacturing of master alloys of copper and other various copper products.

Revenue from Operations is recognised in the Statement of Profit and Loss when:

- The income generating activities have been carried out on the basis of a binding agreement.
- The income can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- Costs relating to the transaction can be measured reliably.

Revenue for all businesses is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the goods and services.

Revenue towards satisfaction of a performance obligation is measured at the amount of the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of products sold is net of variable consideration on account of various discounts, incentives, rebates and GST collected on behalf of Government.

Export sales are recognised on the basis of bill of lading on satisfaction of performance and transfer of control.

Revenues in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Other income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate(EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Income from dividend on investments is accrued in the year in which it is declared, whereby the Group's right to receive is established.

Profit from sale/transfer of investments and other assets is recognised only when the transfer is complete, i.e. when the transferee obtains control and legal title for the asset and when there is no uncertainty on the amount and timing of receipt of the sale consideration. The recording of profit from sale/transfer is postponed until then.

Insurance claims lodged in respect of risk covered are accounted for as and when the claim is received.

Other income is recognized on accrual basis except when realization of such income is uncertain.



Notes to the Restated Consolidated Financial Statement

3.07 Employee Benefits:

i. Short term employee benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

ii. Post employment benefit

a. Defined contribution plan

The Company's contribution paid/payable during the year to Provident Fund and Employee State Insurance Corporation (ESIC) are considered as defined contribution plans. The Contribution paid/ payable under these plans are recognised in the Statement of Profit and Loss during the period in which the employee renders the services.

b. Defined benefit plans

The employee's gratuity fund scheme is Company's defined benefit plan. The cost of providing benefits under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet.

Re-measurements, comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation.

3.08 Taxes:

Tax expense comprises of current income tax & deferred tax. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in India where the entity operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

The Group management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

