

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Dec Piping Systems (Thailand) Co. Limited

### Opinion

We have audited the accompanying Interim Special Purpose Standalone Ind AS Financial Statements of Dec Piping Systems (Thailand) Co. Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the period then ended, and a summary of significant accounting policies and other explanatory information. These Interim Special Purpose Standalone Ind AS Financial Statements are prepared solely for the purpose of inclusion in Restated Consolidated Summary Statements of DEE Development Engineers Limited ('the Parent Company') to be included in the Red Herring Prospectus (the "RHP") proposed to be filed with the Securities and Exchange Board of India ("SEBI"), BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") and the Registrar of Companies, in connection with the proposed initial public offer of equity shares of face value of Rs. 10 each of the Parent Company (the "Offering").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Interim Special Purpose Ind AS financial statements give a true and fair view in conformity with the accounting principle generally accepted in India including the Indian Accounting Standard (Ind AS) 34 specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended of the state of affairs of the Company as at March 31, 2024, its statement of profit and loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Interim Special Purpose Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013 as amended. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Special Purpose Standalone Ind AS 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 Interim Special Purpose Standalone Ind AS Financial Statements 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 on the Interim Special Purpose Standalone Ind AS financial statements.

### Management's Responsibility for the Interim Special Purpose Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of Interim Special Purpose Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The Board of Directors are also responsible for maintenance of adequate accounting records for safeguarding of the assets of the Company 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Interim Special Purpose Standalone Ind AS Financial Statements are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Interim Special Purpose Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Interim Special Purpose Standalone Ind AS 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 Interim Special Purpose Standalone Ind AS 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 Interim Special Purpose Standalone Ind AS 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Interim Special Purpose Standalone Ind AS Financial Statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner as described in its basis of preparation.

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.

### **Other Matters**

We report that the amounts appearing in the accompanying Interim Special Purpose Standalone Ind AS Financial Statements and explanatory notes for the corresponding six months period ended March 31, 2024 in respect of the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement



and the Statement of Changes in Equity are based on management certified accounts of the Company which have not been subjected to audit by us.

**For A. K. Puniani & Associates**  
**Chartered Accountants**  
ICAI Firm Registration Number: 023897N



Chanchal Verma  
(Partner)  
Membership Number: 529099

UDIN: 24529099BKAKEA4068

Place: Faridabad  
Date: 08-07-2024



DEE Piping System (Thailand) Co. Ltd.  
Ind AS Balance Sheet as at 31st March 2024  
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Notes	As at 31st March 2024	As at 31st March 2023
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3	6,991.93	7,989.33
(b) Capital work-in-progress	3	-	-
(c) Intangible assets	3	1.48	2.33
(d) Financial assets			
(i) Others	4B	4.01	35.10
<b>(2) Current assets</b>			
(a) Inventories	6	4,123.93	2,529.82
(b) Financial assets			
(i) Trade receivables	4A	2,828.77	2,885.61
(ii) Cash and cash equivalents	4C	1.15	136.34
(iii) Loans	4B	-	109.76
(c) Other current assets	5	441.39	651.87
<b>Total assets</b>		<b>14,392.66</b>	<b>14,340.16</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	7	5,021.31	5,021.31
(b) Other Equity	8	(6,202.35)	(5,736.24)
<b>Liabilities</b>			
<b>(1) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	9	9,193.06	9,642.70
<b>(2) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	9	3,222.85	2,720.29
(ii) Trade payables	12	1,169.39	1,257.55
(iii) Other	10	2.10	0.70
(b) Other current liabilities	11	1,986.30	1,433.85
<b>Total Equity and Liabilities</b>		<b>14,392.66</b>	<b>14,340.16</b>

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **AK Puniani & Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 0023897N

**Chanchal Verma**  
Partner  
Membership No: 529099  
Place : Faridabad  
Date : July 08, 2024

For and on behalf of the Board of Directors of  
**DEE Piping System (Thailand) Co. Ltd.**

Sd/-  
**Krishan Lalit Bansal**  
Director  
DIN: 01125121

**DEE Piping System (Thailand) Co. Ltd.**  
**Statement of Profit and Loss For the period ended 31st March 2024**  
 (All amounts are in ₹ lakhs, unless otherwise stated)

15.68% 15.26%

Particulars	Notes	For the period ended 31 March 2024	For the period ended 31st March 2023
		1,291.51	978.00
<b>I Revenue from operations</b>	13	8,239.01	6,410.78
<b>II Other income</b>	14	162.12	257.07
<b>IV Total income (I + II + III)</b>		<b>8,401.13</b>	<b>6,667.85</b>
<b>V EXPENSES</b>		10.86%	19.89%
Cost of material consumed	15	2,181.25	1,943.03
Changes in inventories (increase) / decrease	16	(1,286.13)	(668.14)
Employee benefit expenses	17	2,708.79	1,953.55
Finance cost	18	910.19	756.14
Depreciation and amortization expense	19	814.80	788.24
Other expenses	20	3,505.71	2,461.40
<b>Total expenses (V)</b>		<b>8,834.61</b>	<b>7,234.23</b>
<b>VI Profit before tax</b>		<b>(433.48)</b>	<b>(566.37)</b>
<b>VII Tax expense:</b>		-	-
Current tax		(433.48)	(566.37)
<b>VIII Profit for the year</b>		<b>(32.64)</b>	<b>(66.56)</b>
<b>IX Other Comprehensive Income / (loss)</b>			
Items that will be reclassified to profit or loss		(32.64)	(66.56)
Exchange differences on translation of foreign operations	8	-	-
Income tax effect		-	-
<b>X Total Comprehensive Income for the year (VIII + IX)</b> (Comprising profit and other comprehensive income for the year)		<b>(466.12)</b>	<b>(632.93)</b>
<b>XI Earnings per share:</b>			
- Basic, computed on the basis of profit attributable to equity holders of the parent	21	(0.87)	(1.14)
- Diluted, computed on the basis of profit attributable to equity holders of the parent	21	(0.87)	(1.14)

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **AK Puniani & Associates**  
 Chartered Accountants  
 ICAI Firm Registration Number: 0023897N



**Chanchal Verma**  
 Partner  
 Membership No: 529099  
 Place : Faridabad  
 Date : July 08, 2024

For and on behalf of the Board of Directors of  
**DEE Piping System (Thailand) Co. Ltd.**

Sd/-  
**Krishan Lalit Bansal**  
 Director  
 DIN: 01125121

A. Equity share capital:

Equity shares of THB 5 each issued, subscribed and fully paid

At 31 March 2022  
Increase/(decrease) during the year  
At 31 March 2023  
Increase/(decrease) during the year  
At 31 March 2024

	Equity Shares	
	No. in lacs	INR lacs
	400.00	3,913.21
	96.63	1,108.10
	496.63	5,021.31
	-	-
	496.63	5,021.31

B. Other equity

Particulars	Reserves and Surplus		Total
	Surplus in P&L	Foreign Currency Translation Reserve	
Balance as at the 31 March 2022	(5,656.06)	552.75	(5,103.31)
Profit for the year	(566.37)	-	(566.37)
Other comprehensive income	-	(66.56)	(66.56)
Total comprehensive income for the year	(566.37)	(66.56)	(632.93)
Balance as at the 31 March 2023	(6,222.43)	486.19	(5,736.24)
Profit for the year	(433.48)	-	(433.48)
Other comprehensive income	-	(32.64)	(32.64)
Total comprehensive income for the year	(433.48)	(32.64)	(466.11)
Balance as at the 31 March 2024	(6,655.91)	453.55	(6,202.35)

As per our report of even date

For AK Puniani & Associates  
Chartered Accountants  
ICAI Firm Registration Number: 0023897N

Faridabad  
Chanchal Verma

Partner  
Membership No: 529099  
Place : Faridabad  
Date : July 08, 2024

For and on behalf of the Board of Directors of  
DEE Piping System (Thailand) Co. Ltd.

Sd/-

Krishan Lalit Bansal  
Director  
DIN: 01125121

DEE Piping System (Thailand) Co. Ltd.  
Statement of Cash Flows for the period ended 31 March 2024  
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	For the period ended 31 March 2024	For the period ended March 31, 2023
<b>A. Cash Flow From Operating Activities</b>		
Profit before tax	(433.48)	(566.37)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Amortisation	814.80	788.24
Loss on sale/ discard of fixed assets (net)	-	1.03
Movement in Foreign Currency Translation Reserve	(32.64)	(66.56)
Finance Costs	910.19	756.14
Finance Income	(0.21)	(0.08)
<b>Operating Profit before Working Capital Changes</b>	<b>1,258.66</b>	<b>912.40</b>
Working capital adjustments:		
Decrease in trade receivables	56.84	(1,435.69)
Decrease in current/non-current financial assets	140.90	(120.13)
(Increase) in other current/non-current assets	210.48	(266.58)
Decrease in trade payables	(88.18)	46.14
(Increase) in Inventories	(1,594.12)	(379.63)
(Increase) in current/non-current financial liabilities	1.40	(2.30)
Decrease in other current/non-current liabilities	552.45	168.63
<b>Cash generated from Operations</b>	<b>538.43</b>	<b>(1,077.16)</b>
Direct Tax Paid	-	-
<b>Net cash Inflow / (Outflow) from Operating Activities</b>	<b>538.43</b>	<b>(1,077.16)</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of property, plant & equipment	183.44	(494.15)
Proceeds from sale of property, plant & equipment	-	34.74
Interest received	0.21	0.08
<b>Net Cash Inflow / (Outflow) from investing activities</b>	<b>183.65</b>	<b>(459.33)</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from borrowings	-	(5,796.25)
Repayment of borrowing	52.92	8,211.17
Finance Costs paid	(910.19)	(756.14)
<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>(857.27)</b>	<b>1,658.78</b>
<b>Net increase/(decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(135.19)</b>	<b>122.29</b>
Opening Balance of Cash and Cash Equivalents	136.34	14.05
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1.15</b>	<b>136.34</b>

For AK Puniani & Associates  
Chartered Accountants  
ICAI Firm Registration Number: 0023897N



**Chanchal Verma**  
Partner  
Membership No: 529099  
Place : Faridabad  
Date : July 08, 2024

For and on behalf of the Board of Directors of  
DEE Piping System (Thailand) Co. Ltd.

Sd/-

**Krishan Lalit Bansal**  
Director  
DIN: 01125121



## **1. Corporate Information**

Dee Piping System (Thailand) Co. Ltd. is The Company has manufacturing facilities at Thailand .  
The financial statements comprise financial statements of Dee Piping System(Thailand) for the year ended 31 March 2024.  
The Company is principally engaged in manufacturing of Pre-fabricated Engineering Products, Pipe Fittings, Piping Systems.

## **2 Significant Accounting Policies**

### **a. Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 December 2023, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 December 2023 are the first the Company has prepared in accordance with Ind AS.

### **b. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include provisions for doubtful debts and advances, future obligations under employee retirement benefit plans, useful lives of fixed assets, contingencies, etc. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

### **c. Current vs Non Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
  - ▶ It is held primarily for the purpose of trading
  - ▶ It is due to be settled within twelve months after the reporting period, or
  - ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.

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

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

### **d. Foreign currencies**

The Company financial statements are presented in INR, which is also the Company's functional currency.

#### **Transaction and balances**

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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





**e. Fair Value measurement**

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

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

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

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**f. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

The specific recognition criteria described below must also be met before revenue is recognised.

**Sale of Goods**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**Income from Job work**

Revenues from job work orders are recognized as and when services are rendered.

**Interest Income**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Rental Income**

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

**g. Government Grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. 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, it is recognised as income in equal amounts over the expected useful life of the related asset.





**h. Property, Plant and Equipment**

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as at the transition date.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. All the property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on Plant and Machinery of piping division have been charged on Straight Line Method on the economic useful life of 10 to 25 years for various plant and machinery as determined by technical evaluation by a Chartered Engineer.

In case of other assets, depreciation has been provided on straight line method on the economic useful life prescribed by Schedule II to the Companies Act 2013. Depreciation on addition to or on disposal of Fixed Asset is calculated on pro rata basis. Addition, to Fixed Assets costing less than or equal to Rs. 5,000 are depreciated fully in the year of purchase.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**i. Investment property**

Since there is no change in the functional currency, the Company has elected to continue with the carrying value of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

**j. Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Depreciation of intangible assets is allocated on systematic basis over the best estimate of their useful life and accordingly softwares are amortised on straight line basis over the period of six years or license period which ever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**k. Expenditure on new projects , substantial expansion and during construction period**

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure incurred during the construction period, which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its originally assessed standard of performance.

Expenditure during construction/installation period is included under capital work-in-progress and the same is allocated to respective Fixed Assets on the completion of its construction.

**l. Borrowing Cost**

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





**m. Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs (See note 2.n). Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**n. Inventories**

Inventories are valued as follows:-

**Raw materials, Stores, Spares, Other Materials and Traded Goods**

Lower of cost and net realizable value. However, materials and other supplies 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. Cost is determined on weighted average cost basis.

**Finished goods**

Lower of cost and net realizable value. Cost includes direct materials, labour and proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty, wherever applicable.

**Job Work**

Jobs under execution (including materials supplied to clients under the contract) to the extent of work done but not billed is valued at the lower of actual cost incurred upto the completion on reporting date and net realizable value. Cost includes direct materials, labour and proportionate overheads.

**Work in Progress**

Work in Progress is valued at the lower of actual cost incurred or net realizable value. Net realisable value is determined after deducting estimated cost expected to be incurred for completion of work. Cost includes direct materials, labour and proportionate overheads.

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

**o. Impairment of non-financial assets**

The Company 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 Company 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. 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 Companies 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.





**p. Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**q. Retirement and Other Employee Benefits**

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Gratuity and earned leave is a defined benefit plan and provision is being made on the basis of actuarial valuation carried out by an independent actuary at the year end using projected unit credit method, and is contributed to the Gratuity and Leave Fund managed by the Life Insurance Corporation of India. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(iii) Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method.

**r. 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.

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

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

- ▶ Debt instruments at amortised cost
- ▶ Debt instruments at fair value through other comprehensive income (FVTOCI)
- ▶ Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- ▶ Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**Debt instrument at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.





#### Equity investments

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- ▶ The rights to receive cash flows from the asset have expired, or
- ▶ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets. The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company 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.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- ▶ All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- ▶ Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade and other payables.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit and financial guarantee contracts.



**Subsequent measurement**

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

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**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 in the respective carrying amounts is recognised in the statement of profit or loss.

**s. Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

**t. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors identified as chief operating decision-maker (CODM). The CODM is responsible for allocating resources and assessing performance of the operating segments. Segments are organised based on type of services delivered or provided. Segment revenue arising from third party customers is reported on the same basis as revenue in the standalone Ind AS financial statements. Segment results represent profits before unallocated corporate expenses and taxes. "Unallocated Corporate Expenses" include expenses that relate to costs attributable to the Company as a whole and are not attributable to segments.

**u. Cash and Cash Equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

**v. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss (after Tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit or loss (after Tax) for the year attributable to equity shareholders by the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.





DEE Piping System (Thailand) Co. Ltd.  
Notes to the financial statements For the period ended 31 March 2024  
(All amounts are in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold land	Buildings	Plant & Machinery	Office equipment	Electrical Installation And Equipment	Furniture & Fittings	Motor Vehicles	Computers and Data processing team	Total Tangible assets	Capital work in Progress
<b>Gross Block</b>										
As at 01 April 2022	1,167.86	5,626.66	3,919.80	127.15	46.68	31.80	342.48	156.60	11,419.03	-
Additions	-	-	50.38	2.29	-	5.01	-	12.51	70.19	-
Flickuation	66.75	321.58	222.59	7.39	2.67	2.08	19.23	9.61	651.90	-
Disposal/Adjustment	-	-	77.61	-	-	-	6.50	-	84.11	-
As at 31 March 2023	1,234.61	5,948.24	4,115.16	136.83	49.35	38.89	355.21	178.72	12,057.01	-
Additions	-	-	141.18	7.12	-	9.44	-	4.38	162.12	-
Flickuation	(55.71)	(268.42)	(188.95)	(6.34)	(2.23)	(1.97)	(16.03)	(8.17)	(547.82)	-
Disposal/Adjustment	-	-	-	-	-	-	-	-	-	-
As at 31 March 2024	1,178.90	5,679.82	4,067.39	137.61	47.12	46.36	339.18	174.93	11,671.31	-
<b>Accumulated depreciation</b>										
As at 01 April 2022	-	1,280.76	1,430.14	94.29	32.91	25.33	87.61	146.91	3,097.95	-
Charge for the year	-	314.40	390.47	23.36	9.37	6.79	33.75	9.63	787.77	-
Flickuation	-	89.75	100.55	6.62	2.37	1.81	6.70	8.90	216.70	-
Disposal/Adjustment	-	-	(33.11)	-	-	-	(1.63)	-	(34.74)	-
As at 31 March 2023	-	1,684.91	1,888.05	124.27	44.65	33.93	126.43	165.44	4,067.68	-
Charge for the half year	-	324.47	411.71	8.39	2.96	1.87	57.79	6.84	814.03	-
Flickuation	-	-83.52	-94.70	-5.80	-2.08	-1.57	-7.04	-7.62	(202.33)	-
Disposal/Adjustment	-	-	-	-	-	-	-	-	-	-
As at 31 March 2024	-	1,925.86	2,205.06	126.86	45.53	34.23	177.18	164.66	4,679.38	-
<b>Net Block:</b>										
As at 31 March 2023	1,234.61	4,263.33	2,227.11	12.56	4.70	4.96	228.78	13.28	7,989.33	-
As at 31 March 2024	1,178.90	3,753.96	1,862.33	10.75	1.59	12.13	162.00	10.27	6,991.93	-



3 (A) Intangible assets

Particulars	Software	Total
<b><u>Gross Block</u></b>		
<b>As at 01 April 2022</b>	76.85	76.85
Additions	2.23	2.23
Fluctuation	4.51	4.51
Sales/ adjustment/ transfer	-	-
<b>As at 01 April 2023</b>	<u>83.59</u>	<u>83.59</u>
Additions	-	-
Fluctuation	(3.77)	(3.77)
Sales/ adjustment/ transfer	-	-
<b>As at 31 March 2024</b>	<u>79.82</u>	<u>79.82</u>
<b><u>Accumulated depreciation</u></b>		
<b>As at 01 April 2022</b>	76.41	76.41
Charge for the year	0.46	0.46
Fluctuation	4.39	4.39
Sales/ adjustment/ transfer	-	-
<b>As at 01 April 2023</b>	<u>81.26</u>	<u>81.26</u>
Charge for the half year	0.77	0.77
Fluctuation	(3.69)	(3.69)
Sales/ adjustment/ transfer	-	-
<b>As at 31 March 2024</b>	<u>78.34</u>	<u>78.34</u>
<b><u>Net Block:</u></b>		
<b>As at 01 April 2023</b>	2.33	2.33
<b>As at 31 March 2024</b>	1.48	1.48



4 Financial assets

(A) Trade receivables (unsecured, considered good unless otherwise stated)

Particulars	Current	
	As at 31st March 2024	As at 31st March 2023
Trade receivables	2828.77	2885.61
<b>Total receivables</b>	<b>2,828.77</b>	<b>2,885.61</b>

Trade receivables Ageing Schedule

Outstanding for following periods from due date of payment	Undisputed Trade Receivables - considered good	
	As at 31st March 2024	As at 31st March 2023
Current but not due	411.21	199.23
Less than 6 Months	2416.22	2,190.95
6 months - 1 year	-	492.04
1-2 years	-	2.04
2-3 years	1.34	1.35
More than 3 years	-	-
<b>Total</b>	<b>2,828.77</b>	<b>2,885.61</b>

(B) Other financial assets

Particulars	Non-current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
<b>Financial assets classified at amortised cost:</b>				
Security deposits	4.01	35.10	-	-
Recoverable from Customer	-	-	-	109.76
<b>Total loans</b>	<b>4.01</b>	<b>35.10</b>	<b>-</b>	<b>109.76</b>

(C) Cash and cash equivalents (unsecured considered good unless otherwise stated)

Particulars	Current	
	As at 31st March 2024	As at 31st March 2023
<b>Cash and bank balances</b>		
Cash on hand	0.33	0.00
Balances with banks	0.82	136.34
<b>Total</b>	<b>1.15</b>	<b>136.34</b>

5 Other assets

Particulars	Non-current		Current	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Prepaid expenses	-	-	182.29	312.74
Advance to suppliers	-	-	22.10	72.85
Advances to employees	-	-	-	15.58
Balance with Government authorities	-	-	237.00	250.70
<b>Total other assets</b>	<b>-</b>	<b>-</b>	<b>441.39</b>	<b>651.87</b>





6 Inventories  
(Valued at lower of cost and net realizable value)

	As at 31st March 2024	As at 31st March 2023
Raw materials	174.14	360.88
Raw material in transit	68.28	153.13
Work in progress	2,898.49	1,386.35
Finished Goods	75.11	301.12
Packing Material	129.37	22.92
Stores and spares	778.54	305.42
<b>Total inventories</b>		

7 Equity share capital

(A) Authorized share capital:

Particulars	Equity Shares	
	No. of Shares	Amount
As at 01 April 2022		
Increase/ (decrease) during the year	496.63	5,021.31
As at 31 March 2023	-	-
Increase/ (decrease) during the year	496.63	5,021.31
As at 31 March 2024	496.63	5,021.31

(B) Terms / rights attached to Equity shares:

The company has only one class of equity shares having par value of THB 5 per share. Each Shareholder is entitled to one vote per share. The dividend except interim dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(C) Issued equity capital

Particulars	Amount
Equity shares of THB 5 each issued, subscribed and fully/partially paid:	
At 01 April 2022	5,021.31
Increase/ (decrease) during the year	-
At 01 April 2023	5,021.31
Increase/ (decrease) during the year	-
At 01 April 2024	5,021.31



8 Other equity

Particulars	As at	
	31st March 2024	31 March 2023
<b>(A) Surplus in the statement of profit and loss:</b>		
Opening balance	(6,322.43)	(5,656.06)
Profit for the year	(433.48)	(566.37)
Deferred Expenses of previous year capitalised		
Other comprehensive income / (loss) for the year		
Net deficit in the statement of profit and loss	(6,655.91)	(6,222.43)
Appropriations:		
- Proposed dividend on equity shares		
- Dividend distribution tax		
Closing balance	(6,655.91)	(6,222.43)
<b>(B) Foreign currency translation reserve</b>		
Opening balance	486.19	552.75
Add : Changes during the half year	(32.64)	(66.56)
Closing balance	453.55	486.19
<b>Total reserves</b>	<b>(6,202.35)</b>	<b>(5,736.24)</b>

9 Borrowings

(A) Long term borrowings

Particulars	Non-current		Current	
	As at 31st March 2024	As at 31 March 2023	As at 31st March 2024	As at 31 March 2023
<b>Secured</b>				
<b>a. Term Loan</b>				
(i) From Banks (refer note (a) below)	1,528.78	2,029.78	456.43	465.32
b. Vehicle Loan from Banks (refer note (b) below)	87.08	60.87	79.06	38.51
<b>Unsecured</b>				
a. From relative of directors	335.72	328.84	-	205.53
b. Loan From Banyan Tree (refer note (c) below)	-	-	-	-
c. Inter Corporate Loan from Holding Company	7,241.48	7,140.99	-	-
d. Other loans	-	82.22	-	-
	9,193.06	9,642.70	535.49	709.36
Less: current maturities of long term debts disclosed under Short Term borrowing (refer note 9(B))	-	-	(535.49)	(709.36)
	9,193.06	9,642.70	-	-

Repayment Schedule of long term borrowing - non-current:

Particulars	Tenure	As at	
		31st March 2024	31 March 2023
		INR	INR
<b>Secured</b>			
(i) Presently MLR- 0.25% p.a., (31 March 2023: 3M LIBOR plus .25 % p.a.)	Feb-28	1,528.78	2,029.78
(ii) Presently 4.18% to 6.52% - p.a., (31 March 2023: 4.18% to 6.52%) p.a.	Jul-26	87.08	60.87
		<u>1,615.86</u>	<u>2,090.65</u>
<b>Unsecured</b>			
(iii) Presently 7.5% - p.a., (31 March 2023: 7.00%) p.a.	Jun-25	7,241.48	7,140.99
(iv) Presently 14% - p.a., (31 March 2023: 14%) p.a.	December 2024	-	82.22
(v) Presently 8% - p.a., (31 March 2023: 8%) p.a.	December 2024	335.72	328.84
		<u>7,577.20</u>	<u>7,552.05</u>

Notes:

1 Term Loan:

- (i) Term loan outstanding for Rs 1,985.21 Lacs ( March 31, 2023; Rs 2,495.11 lacs) is secured by way of  
a) Exclusive charge on land and building situated at Chachoengsao Thailand  
b) Exclusive charges in fixed assets including Plant and machinery of the company

2 Vehicle loan

- (a) Term loan outstanding for Rs. 166.14 lacs (March 31, 2023 99.37 lacs) from bank secured by the vehicle of the Company financed under the scheme.





Particulars	Non-current		Current	
	As at 31st March 2024	As at 31 March 2023	As at 31st March 2024	As at 31 March 2023
(B) Short-term borrowings				
Secured				
Cash Credit				
From Banks				
Current maturities of long-term debts	-	-	2335.18	1,705.58
Unsecured	-	-	535.49	709.36
From directors	-	-	352.18	305.35
	-	-	<u>3,222.85</u>	<u>2,720.29</u>

10 Other financial liabilities

Particulars	Non-current		Current	
	As at 31st March 2024	As at 31 March 2023	As at 31st March 2024	As at 31 March 2023
Financial liabilities classified at amortised cost:				
Creditors for capital goods			2.10	0.70
Total other financial liabilities	-	-	<u>2.10</u>	<u>0.70</u>

11 Other liabilities

Particulars	Non-current		Current	
	As at 31st March 2024	As at 31 March 2023	As at 31st March 2024	As at 31 March 2023
Statutory dues	-	-	19.79	40.05
Interest accrued and not due on holding co. Loan	-	-	1,014.63	1,352.48
Interest accrued and not due on Other loans	-	-	51.88	41.32
Total other liabilities	-	-	<u>1,086.30</u>	<u>1,433.85</u>

12 Trade Payables

Particulars	Current	
	As at 31st March 2024	As at 31 March 2023
Trade payables	1169.39	1257.55
Total trade payables	<u>1,169.39</u>	<u>1,257.55</u>

Trade Payable Ageing Schedule

As at 31st March 2024	Not due	Less than 1 year	Outstanding for following periods from due date of payment			Total
			1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	100.15	996.74	72.50	-	-	1,169.39
Total outstanding dues of creditors other than micro enterprises and small enterprises			72.50	-	-	1,169.39
<b>TOTAL</b>	<b>100.15</b>	<b>996.74</b>	<b>72.50</b>	<b>-</b>	<b>-</b>	<b>1,169.39</b>

Trade Payable Ageing Schedule

As at 31 March 2023	Not due	Less than 1 year	Outstanding for following periods from due date of payment			Total
			1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	73.69	1,013.67	153.01	8.24	8.94	1,257.55
Total outstanding dues of creditors other than micro enterprises and small enterprises			153.01	8.24	8.94	1,257.55
<b>TOTAL</b>	<b>73.69</b>	<b>1,013.67</b>	<b>153.01</b>	<b>8.24</b>	<b>8.94</b>	<b>1,257.55</b>



**13 Revenue from operations**

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Sale of Finished Goods	2,617.03	1,046.74
Job work	5,621.98	5,364.04
<b>Total revenue from operations</b>	<b>8,239.01</b>	<b>6,410.78</b>
Revenue recognition at a point of time	8,239.01	6,410.78
Total revenue from contracts with customers	8,239.01	6,410.78

**14 Other income**

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Interest Income	0.21	0.08
Miscellaneous income	161.91	256.99
<b>Total other income</b>	<b>162.12</b>	<b>257.07</b>

**15 Cost of raw material consumed**

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Inventory at the beginning of the year	514.00	853.81
Add: Purchase	1,909.67	1,603.22
	2,423.67	2,457.03
Less: Inventory at the end of the year	242.42	514.00
<b>Cost of raw material consumed</b>	<b>2,181.25</b>	<b>1,943.03</b>





**16 Changes in inventories**

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Opening stock		
- Work-in-progress (including job work)	1,386.35	765.95
- Finished goods	301.12	253.38
Less: Closing stock		
- Work-in-progress (including job work)	2,898.49	1,386.35
- Finished goods	75.11	301.12
<b>Changes in inventories</b>	<b>(1,286.13)</b>	<b>(668.14)</b>

**17 Employee benefits expense**

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Salaries, wages, bonus etc	2,618.97	1,893.03
Contribution to provident and other funds	47.54	24.24
Workmen and staff welfare expenses	42.28	36.28
<b>Total employee benefits expense</b>	<b>2,708.79</b>	<b>1,953.55</b>

**18 Finance costs**

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Interest Expense	178.69	135.15
- on term loans	697.97	615.70
- to others	33.53	5.29
Other borrowing cost		
<b>Total</b>	<b>910.19</b>	<b>756.14</b>

**19 Depreciation and amortization expense**

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Depreciation on tangible fixed assets (refer note 3)	814.03	787.78
Amortisation of intangible assets (refer note 3(A))	0.77	0.46
<b>Total</b>	<b>814.80</b>	<b>788.24</b>



20 Other expenses

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Stores and spare parts consumed		
Packing Expenses	1,248.71	967.45
Rates and taxes	63.42	47.88
Fabrication and job charges	15.29	33.34
Repair and maintenance:	375.88	335.86
- Buildings		
- Other	102.52	96.59
Rent including lease rentals	5.01	0.09
Insurance	25.65	11.48
Power, fuel and water charges	104.25	32.90
Radiography & inspection	278.34	213.35
Auditors Remuneration	247.60	263.20
Selling commission & other selling expenses	8.56	6.27
Freight & forwarding (net of recovery)	70.71	11.81
Claims and deductions	30.84	40.03
Legal & professional	121.40	18.29
Travelling	14.56	39.98
Bank charges	23.55	34.72
Loss on foreign exchange (net)	29.07	9.90
Security & servicing charges	605.06	205.42
Miscellaneous	50.22	32.90
	85.07	58.91
<b>Total</b>	<b>3,505.71</b>	<b>2,461.40</b>

21 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Period ended 31 March 2024	Period ended 31 March 2023
Profit attributable to equity holders of the Company for basic and diluted earnings (A)	(433.48)	(566.38)
Weighted average number of Equity shares for basic and diluted EPS* (B)	4,96,63,300.00	4,96,63,300.00
<b>Earnings per share (A/B)</b>	<b>(0.87)</b>	<b>(1.14)</b>

\* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.





22 Related party transactions

(A) Names of related parties and related party relationship

Nature of relationship	Name of related parties
(i) Holding Company:	DEE Development Engineers Limited
(ii) Key management personnel:	Mrs. Shikha Bansal - Director Mr. Krishan Lalit Bansal - Director Mr. Krisanakorn Triwattanathongchai - Director

(B) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Name of related party	Period ended 31 March 2024	Year ended 31 March 2023
<b>(i) With Holding company</b>		
Purchase of products	656.18	1,339.32
Freight recovered	-	-
Purchase of Property, Plant & equipments	0.21	0.18
Interest Expenses	543.11	500.23
Sales of product	-	1,019.36
Job charges (Income)	-	-
Loan Received	-	619.06

**(ii) With Key management personnel and their relatives:**

Name	Nature of transaction	Period ended 31 March 2024	Year ended 31 March 2023
Mr. Krisanakorn Triwattanathongchai	Remuneration	102.16	92.52
Mrs. Shikha Bansal	Remuneration	123.23	47.87
<b>Loans</b>			
Mrs. Shikha Bansal	Loan received	-	305.35
Mrs. Sunita Aggarwal	Loan received	-	164.42
Mr. Ravinder Aggarwal	Loan received	-	164.42

(C) Following are the balances outstanding as at year end:

Name of related party	Period ended 31 March 2024	Year ended 31 March 2023
<b>(i) With Holding company</b>		
Corporate Guarantee given to Foreign Banker	4,320.77	4,200.68
Loan Received	7,241.48	7,140.99
Trade Payable	196.05	529.07
Interest Accrued	1,914.63	1,352.48
<b>(ii) With Key management personnel and their relatives:</b>		
<b>Account payable:</b>		
Mrs. Shikha Bansal	352.18	305.35
Mrs. Sunita Aggarwal	167.86	164.42
Mr. Ravinder Aggarwal	167.86	164.42



**23 Commitments and Contingencies**

**A. Commitments**

**(a) Capital Commitments**

Particulars	Period ended 31 March 2024	Year ended 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid NIL (31 March 2023: INR Nil)		





24 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at 31st March 2024	As at 31 March 2023	As at 31st March 2024	As at 31 March 2023
<b>(A) Financial assets</b>				
<b>Non-current</b>				
Security deposits	4.01	35.10	4.01	35.10
<b>Current</b>				
Trade receivables	2,828.77	2,885.61	2,828.77	2,885.61
Cash and cash equivalents	1.15	136.34	1.15	136.34
Security deposits	-	-	-	-
Advances to employees	-	15.58	-	15.58
<b>Total financial assets</b>	<b>2,833.93</b>	<b>3,072.63</b>	<b>2,833.93</b>	<b>3,072.63</b>
<b>(B) Financial liabilities</b>				
<b>Non-current</b>				
Long-term borrowings	9,193.06	9,642.70	9,193.06	9,642.70
Other financial liabilities	-	-	-	-
<b>Current</b>				
Short-term borrowings (include current maturity of long term)	3,222.85	2,720.29	3,222.85	2,720.29
Trade payables	1,169.39	1,257.55	1,169.39	1,257.55
Other financial liabilities	2.10	0.70	2.10	0.70
<b>Total financial liabilities</b>	<b>13,587.40</b>	<b>13,621.24</b>	<b>13,587.40</b>	<b>13,621.24</b>

The management assessed that security deposits, trade receivables, cash and cash equivalents, other bank balances including term deposits, interest receivable, loans and advances recoverable in cash or in kind, advances to employees, foreign exchange forward contracts approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



**25 Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are  
 (a) recognised and measured at fair value and  
 (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

**A. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2024:**

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets measured at fair value</b>				
Foreign exchange forward contracts	-	-	-	-
<b>Financial assets measured at amortised cost</b>				4.01
Security deposits	4.01	-	-	-
<b>Financial liabilities measured at amortised cost</b>			9,728.55	-
Long-term borrowings (including current maturities)	9,728.55	-	-	-

There have been no transfers between Level 1 and Level 2 during the year.

**B. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2023:**

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets measured at fair value</b>				
Foreign exchange forward contracts	-	-	-	-
<b>Financial assets measured at amortised cost</b>				35.10
Security deposits	35.10	-	-	-
<b>Financial liabilities measured at amortised cost</b>			10,352.05	-
Long-term borrowings (including current maturities)	10,352.05	-	-	-

There have been no transfers between Level 1 and Level 2 during the year.

There have been no transfers between Level 1 and Level 2 during the year.



26 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits given, loans to related party, employee advances, trade and other receivables, cash and cash equivalents and other assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings and foreign exchange forward contracts.

The sensitivity analysis in the following sections relate to the position as at 31 March 2024, 31 March 2023

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2024.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations and provisions.

The following assumption have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2024, 31 March 2023

**Interest rate risk**

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

The Company is exposed to interest rate risk because Company borrows funds at both floating interest rates. These exposures are reviewed by appropriate levels of management. The Company regularly monitors the market rate of interest to mitigate the risk exposure. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase / decrease in interest rates	Effect on profit before tax
<b>As at 31 March 2024</b>		
(i) INR loans	+0.50%	11.68
	-0.50%	-11.68
(ii) Foreign currency Term loan	+0.50%	9.93
	-0.50%	-9.93
<b>As at 31 March 2023</b>		
(i) INR loans	+0.50%	8.53
	-0.50%	-8.53
(ii) Foreign currency Term loan	+0.50%	12.48
	-0.50%	-12.48

The assumed movement in interest rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by purchasing foreign currency forward contracts that are expected to occur within a maximum 12-month period of forecasted sales and purchases. The following tables demonstrate the unhedged foreign currency exposure and sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities are as follows:

Particulars	Currency	31 March 2024		Impact on profit before tax	
		Foreign Currency	Indian Rupees	5% Increase	5% Decrease
Trade payables	USD	2.98	248.03	(12.40)	12.40
Trade receivables	USD	12.01	998.00	49.90	(49.90)
<b>31 March 2023</b>					
Particulars	Currency	31 March 2023		Impact on profit before tax	
		Foreign Currency	Indian Rupees	5% Increase	5% Decrease
Trade payables	USD	8.67	713.00	(35.65)	35.65
Trade receivables	USD	15.84	1,302.62	65.13	(65.13)





**Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities including trade receivables, deposits with banks and financial institutions, foreign exchange transactions and other

**Trade receivables**

Trade receivables do not have any significant potential credit risk for the Company as the business of the Company is majority cash based. An impairment analysis is performed by the management at each reporting date on individual basis for major clients.

**Financial instruments and cash deposits**

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

**Liquidity risk**

The Company objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits and bank loans. Approximately 90% of the Company debt will mature in less than one year at 31 December 2024 (31 March 2023: 90%) based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

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

	Less than 12 months	1 to 5 years	> 5 years	Total
<b>Year ended 31 March 2024</b>				
Long term borrowings	-	9,193.06	-	9,193.06
Short term borrowings	3,222.85	-	-	3,222.85
Trade payables	1,169.39	-	-	1,169.39
Other financial liabilities	2.10	-	-	2.10
	<b>4,394.34</b>	<b>9,193.06</b>	-	<b>13,587.40</b>
<b>Year ended 31 March 2023</b>				
Long term borrowings	-	9,642.70	-	9,642.70
Short term borrowings	2,720.29	-	-	2,720.29
Trade payables	1,257.55	-	-	1,257.55
Other financial liabilities	0.70	-	-	0.70
	<b>3,978.54</b>	<b>9,642.70</b>	-	<b>13,621.24</b>



27 Capital management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

The Company's gearing ratio is as follows:

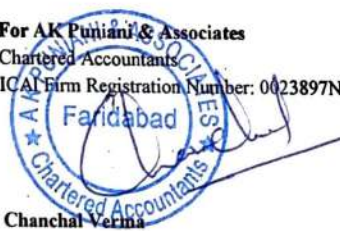
Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings including current maturities (refer note 9)	12,415.91	12,362.98
Less: cash and cash equivalents (refer note 4(C))	1.15	136.34
Net debt (A)	<u>12,414.76</u>	<u>12,226.64</u>
Total equity (refer note 7 and 8)	(1,181.04)	(714.93)
Capital (B)	<u>(1,181.04)</u>	<u>(714.93)</u>
Capital and net debt (C) = (A) + (B)	11,233.72	11,511.71
Gearing ratio (C) / (B) (%)	110.51%	106.21%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

For AK Puniani & Associates  
 Chartered Accountants  
 ICAI Firm Registration Number: 0023897N

Chanchal Verma  
 Partner  
 Membership No: 529099  
 Place : Faridabad  
 Date : July 08, 2024



For and on behalf of the Board of Directors of  
 DEE Piping System (Thailand) Co. Ltd.

Sd/-  
 Krishan Lalit Bansal  
 Director  
 DIN: 01125121