

SMK

STUDDS
RIDE YOUR DREAMS



**Innovation-driven
Performance-centric
Customer-led**

**Studds
Accessories
Limited**
Annual Report
2023-24



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Cautionary statement

In this annual report, we have disclosed forward looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/ publish, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements would be fully realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Innovation-driven Performance-centric Customer-led

"If you can dream it, you can do it."

At Studds, we have always believed that dreams are the guiding light, igniting hope and inspiring people to live big. With this belief at our core, we have embarked on a journey to empower dreams, fuelling aspirations and enabling individuals to pursue their dreams fearlessly.

For over four decades, we have set the industry benchmark for safety in helmet and motorcycle accessories' manufacturing. We are among the top helmets and riding gear brands in India and internationally-- delivering products that have become the hallmark of innovation, comfort and style. Keeping the best interests of our valuable customers at the heart of our operations, we are dedicated to building a diversified product portfolio that consistently exceeds expectations.

We are driving the dreams of the new India, which is fearless in its pursuit and resolute in building a better future. We continue to focus to incorporate innovative features, to enhance product performance and meet the evolving consumer needs.

Looking forward, we are optimistic about the future that lies ahead of us. Every product we create is our promise of protection. Our customer-led and innovation-driven approach will guide us in delivering performance-centric products, ensuring a safer tomorrow for all.



Website :
www.studds.com



To view the report online, log in to
www.studds.com/investor-relations

About us

With an expertise crafter over the span of four decades, we have been synonymous with excellence, earning the trust and respect of customers across the world.

We extend our expertise and innovation beyond helmets to include a wide range of motorcycle accessories. From protective gear to stylish add-ons, our accessories are made with the same care and attention to detail that have made our helmets a trusted choice worldwide. We offer riding gloves, sturdy jackets, and advanced communication systems, all designed to provide maximum comfort and safety. We know riders have different needs, so our accessories are tailored to ensure every ride is smooth and enjoyable.

Our focus on quality drives us to constantly improve and expand our product line. Our accessories are not just about safety and functionality; they also reflect the style and personality of modern riders. Whether its preparing for a long journey or a short city commute, our products support and protect our customers every step of the way. At Studds, we aim to provide complete solutions for all your riding needs, letting you enjoy the freedom and excitement of the ride.

Mission



We aim to become the top helmet company in the world and provide safety to every two-wheeler rider. A rider who is not just travelling but also carrying with himself dreams, dreams which are associated with individual, family, society as well as nation.

We believe that dreams inspire a person and brings the best out of him. This quest to fulfil dreams of every individual motivates us to work tirelessly and deliver on quality and innovation.

We at STUDDS believe that dreams differentiate the better from the best and hence it's our small effort in the journey of the individual to fulfil his/her dreams.

As we touch millions of lives every year, we continue to ride on this trust with our passion to produce safe, innovative, comfortable yet quality products.



At a glance

More than

7 millions

Sales of helmets in the year 2023-24

Exports in

70+

Countries

About

25.66%*

Market share in India

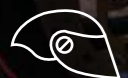
130+

New Customers Acquired (Domestic Dealers/
Exports/Government/Institutionals)

*Source: Frost & Sullivan report dated August, 2018



Helmets



Face shields,
Face masks



Motorcycle
accessories

Our offerings



Bicycle helmets

Reaching every mile across the world

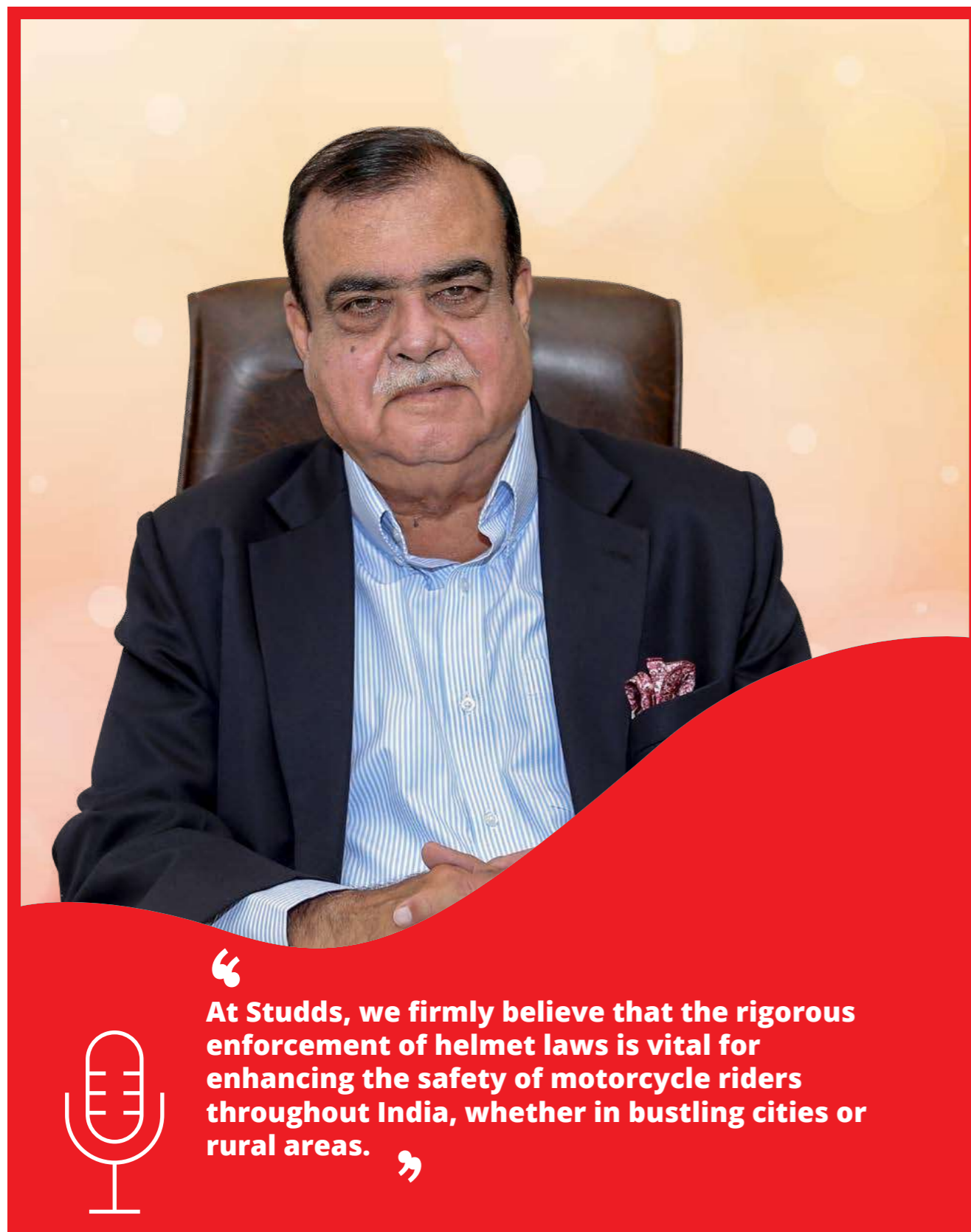
Our extensive global presence reflects our dedication to innovation, quality, and safety. We have cultivated a reputation for excellence and earned the trust of millions of riders worldwide, establishing ourselves as the preferred choice for two wheeler helmets and accessories.



Map not to scale. Only for representation purpose

- | | | | | | | |
|--------------|----------------|---------------|-------------|---------------------|----------------|----------------------------|
| • ANGOLA | • BURKINA FASO | • FINLAND | • KUWAIT | • NETHERLANDS | • SENEGAL | • UGANDA |
| • ARGENTINA | • CANADA | • GERMANY | • KENYA | • NIGERIA | • SPAIN | • UNITED KINGDOM |
| • AUSTRALIA | • CHILE | • GEORGIA | • KOREA | • PAKISTAN | • SINGAPORE | • URUGUAY |
| • AUSTRIA | • COSTA RICA | • GREECE | • LITHUANIA | • PANAMA | • ST KITTS | • UNITED STATES OF AMERICA |
| • AZERBAIJAN | • COLOMBIA | • GUATEMALA | • MALAYSIA | • PHILIPPINES | • SRI LANKA | • UKRAINE |
| • BANGLADESH | • CROATIA | • INDONESIA | • MALAWI | • POLAND | • SOUTH AFRICA | • VENEZUELA |
| • BAHRAIN | • CAMBODIA | • ISRAEL | • MALDIVES | • PORTUGAL | • TAIWAN | • ZAMBIA |
| • BELARUS | • DENMARK | • ISTANBUL | • MAURITIUS | • QATAR | • TANZANIA | |
| • BENIN | • ECUADOR | • ITALY | • MEXICO | • REPUBLIC OF CHINA | • THAILAND | |
| • BERMUDA | • EL SALVADOR | • IVORY COAST | • MOROCCO | • RUSSIA | • TURKEY | |
| • BRAZIL | • FRANCE | • JORDAN | • NEPAL | • SWEDEN | • U.A.E. | |

Chairman's Message



Dear Shareholders,

As we reflect on the dynamic landscape of the domestic helmet market, it is clear that local players continue to dominate, while international brands make a noteworthy impact in niche segments.

Helmet manufacturers in India are witnessing a shift as regulatory changes enforce stringent safety standards, and an increasing consumer awareness highlights the critical importance of wearing high-quality helmets. This evolving environment is driving a trend toward consolidation among helmet manufacturers, fostering heightened competition and elevating product quality, ultimately benefitting consumers.

Over the next five years, our strategy to maintain market leadership will focus on five key pillars, namely, broadening our product portfolio through diversification, prioritising quality and safety, enhancing customer engagement, strengthening our domestic and international distribution networks, and championing sustainability initiatives (both environmental and CSR). By concentrating on these strategic areas, we are committed to solidifying our market leadership and expanding our influence both in India and across global markets.

At Studds, we firmly believe that the rigorous enforcement of helmet laws is vital for enhancing the safety of motorcycle riders throughout India, whether in bustling cities or rural areas. By promoting higher compliance with

helmet laws, raising public awareness, and deterring non-compliance, these regulations have the potential to significantly reduce accident severity and save lives. We are committed to support these efforts through active collaboration with government bodies, innovative product development, and active participation in road safety campaigns.

Studds considers its responsibility towards the environment and society as a core part of its mission and values. This dedication is evident through various initiatives and practices that promote sustainability, social well-being, and ethical business operations.

Our commitment to environmental and social responsibility is a fundamental aspect of our mission and values. We demonstrate this dedication through our sustainable practices, including the use of recyclable materials in our production processes, energy-efficient manufacturing techniques, and comprehensive waste management strategies. Additionally we invest in renewable energy sources to power our operations, minimising our ecological footprint.

Our impact on society is equally profound. We actively support local initiatives in education and health, aligning our charitable contributions with causes that reflect our core values. We prioritise the welfare of our employees through programs such as subsidised lunches and continuous professional development opportunities, fostering a supportive and enriching work environment. Through these endeavours, we strive to make a positive impact on both the environment and society, aligning our business practices with our core values.

At Studds, we believe in the power of innovation, commitment, and community. As we navigate the evolving landscape of the helmet industry, we want to share our vision and reaffirm our dedication to all our stakeholders.

To Our Employees: Your resolute hard work and dedication are the foundation of our success. We are committed to nurturing a work environment that encourages innovation, collaboration, and personal growth. Together, we will continue to push boundaries and set new standards in safety, design, and performance.

To Our Customers: Your trust and loyalty inspire us every day. We are dedicated to providing you with helmets and riding gear that offer the highest levels of safety, comfort, and style. Your feedback is invaluable, and we remain committed for listening, adapting, and exceeding your expectations.

To Our Investors: Your support is crucial in our quest to become a global leader in the helmet industry. We are committed for maintaining transparency, driving sustainable growth, and delivering long-term value. Our strategies are designed to strengthen our market position and explore new opportunities for expansion and innovation.

Thank you for being a part of our journey. Together, we will continue to protect lives and set new benchmarks in the world of helmets and riding gear.

Warm Regards,

Madhu Bhushan Khurana
Chairman



“
At Studds, we firmly believe that the rigorous enforcement of helmet laws is vital for enhancing the safety of motorcycle riders throughout India, whether in bustling cities or rural areas.”

Managing Director's Message



Dear Shareholders,
I am pleased to present our annual report for the financial year 2023-24. Reflecting on the past year, I am filled with joy to announce that we have experienced another successful year.

By consistently prioritising innovation, quality, comfort and customer satisfaction, we have solidified our reputation as a trusted leader in the helmet industry, ensuring the safety and satisfaction of riders worldwide.

As we reflect on our achievements, we are grateful for the support of our customers and partners. Together, we will shape the future of the helmet industry and push boundaries to deliver industry-leading value.

Our ongoing research and development initiatives have yielded advanced helmet designs that significantly enhance safety, comfort and durability. Additionally, the introduction of smart helmets, equipped with bluetooth connectivity and integrated communication systems has further distinguished us in the market.

We have established state-of-the-art development and testing labs, making significant investments to ensure our products meet the requirements of multiple stringent international safety certifications. Additionally, our ongoing investment in advanced manufacturing facilities and technology optimisation enables us to enhance operational efficiencies while upholding our commitment to quality.

Our customer-centric approach is crucial for cultivating brand loyalty. By prioritising excellent service and support through our customer-experience management strategy, we actively seek and incorporate customer feedback into our product design and development processes. This feedback-driven approach ensures continuous improvements that align with our customers' evolving needs and preferences.

We are optimistic about the international market's potential to drive significant growth for your Company. Our export strategy is two-pronged. Firstly, we aim to capitalise on the China + 1 business strategy, adopted by many international brands, positioning ourselves as a dependable and progressive business partner. Simultaneously, we are leveraging innovation and customer engagement as well as expanding our dual brands in international markets by working with strong local distributors, developing products that comply with local certification requirements.

Over the next 2-3 years, the America is, encompassing both South and North America, have emerged as pivotal markets for our growth strategy. This is driven by the substantial expansion of the motorcycle market in the region, alongside the increasing recognition of our Studds and SMK Helmets brands. Our company is strategically positioned to capitalize on these opportunities, with our diverse product portfolio, robust international team, and in-house expertise in product testing and safety certifications serving as critical assets to drive our export growth ambitions.

As we move forward, we will continue to invest in research and development, adopt sustainable practices as well as expand our product range and market presence. These efforts will ensure that Studds remains at the forefront of the industry.

I would like to take this opportunity to extend my heartfelt gratitude to all our stakeholders for your continued support. I am thankful for your confidence in us and I look forward to the privilege of continuing to serve you in the years to come.

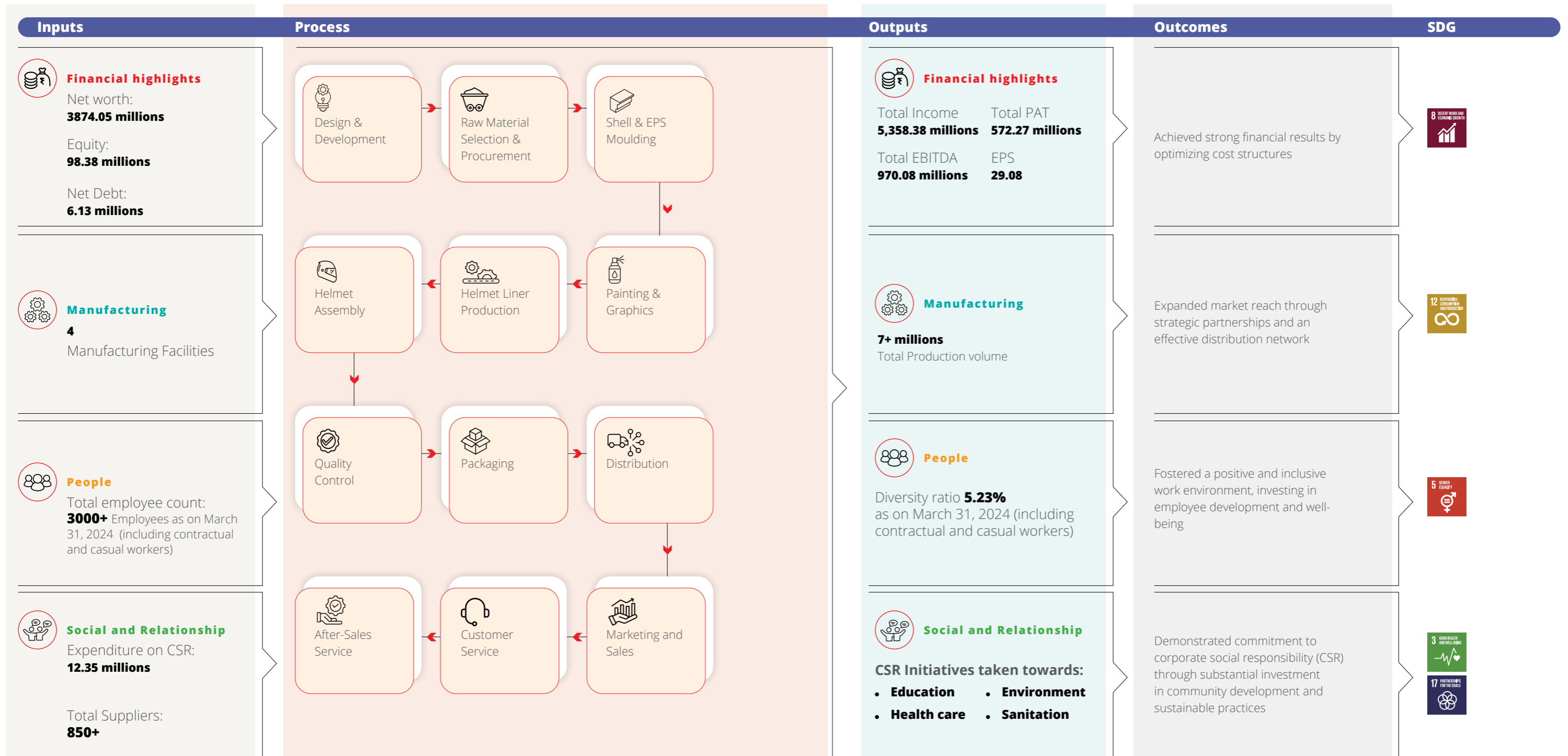
Warm regards,

**Sidhartha
Bhushan Khurana**
Managing Director



“We have established state-of-the-art development and testing labs, making significant investments to ensure our products meet the requirements of multiple stringent international safety certifications.”

Business model



Our philosophy

OUR GOAL
 To provide safe riding experience with superior quality helmets

OUR VALUES
 We aim to be the leading helmet provider by prioritizing innovation, quality, and customer satisfaction. Our commitment to enhancing comfort and meeting our customers' needs drives us to be their top choice.

Trust

Quality

Safety

Innovation

R&D

Customer Satisfaction

Financial performance

Revenue

(Rs. in millions)

FY20	4,145.20
FY21	4,796.15
FY22	4,625.07
FY23	4,991.69
FY24	5,290.23

EBITDA

(Rs. in millions)

FY20	1,036.20
FY21	1,151.07
FY22	597.05
FY23	674.74
FY24	970.08

PAT

(Rs. in millions)

FY20	745.38
FY21	739.96
FY22	286.37
FY23	332.58
FY24	572.27

EPS

(Rs. per share)

FY20	37.88
FY21	37.61
FY22	14.55
FY23	16.90
FY24	29.08

Net-worth

(Rs. in millions)

FY20	2,160.26
FY21	2,898.91
FY22	3,108.07
FY23	3,379.65
FY24	3,874.05



Advancing customer-centric innovations

At Studds, we pride ourselves on placing innovation at the heart of everything we do. With a dedicated team of researchers and engineers, we invest heavily in Research and Development to create new products and technologies that meet and exceed our customers' needs. Our focus on cutting-edge technology and exceptional quality sets us apart in the protective gear industry.

Meeting Customer Requirements with Advanced Solutions

We understand that innovation is not just about new ideas, but about meeting customer requirements. Our key to achievement is developing products and services that solve problems and address the needs of our customers. To achieve this, we conduct extensive research and testing to ensure our products meet the highest standards of quality and reliability.

Dedication to Quality

Quality is our top priority at Studds. We thoroughly test all our products to ensure they meet the highest standards of safety and effectiveness. Each product undergoes multiple rounds of rigorous testing to identify any potential issues. We also incorporate customer feedback into our quality control process, allowing us to continuously refine and enhance our products.

Building a Strong Reputation through Customer Focus

By prioritizing customer needs and conducting thorough testing, we have developed innovative products that meet market demands. This approach has helped us build a strong reputation and maintain our leadership position in the industry.

Equipped with innovative features, our new Thunder Communication-Ready Helmet offers a superior riding experience. It includes hands-free communication, music streaming, and GPS navigation, ensuring you stay connected and informed on the go.



12

No. of employees in R&D

10-15 years

Average experience of R&D team.

6

New designs launched

<1%

Rejection rate during in-house quality inspection.

>40

Number of checks before approval of design & development in-house.

Opportunity and growth prospects

Rising popularity of adventure sport like biking¹

¹The past five years have witnessed a notable surge in the popularity of off-roading activities. Events such as the Raid de Himalaya, renowned as one of the world's highest motorsport races traversing the majestic Himalayan terrain, have served as inspirations for many enthusiasts to venture into off-road exploration.

This rise in interest can be attributed in part to heightened exposure facilitated by various media platforms including television, social media, and online content. Platforms such as YouTube and Instagram have particularly played a significant role in showcasing the thrilling possibilities of off-road biking, ranging from navigating rocky terrains in Ladakh to traversing the sand dunes of Rajasthan.

Rise in Safety awareness

The enforcement of safety regulations pertaining to helmet usage in numerous countries, including mandatory helmet laws for specific activities, has resulted in a notable uptick in helmet demand. Compliance with these regulations necessitates individuals to procure helmets, thereby driving the demand further. Consequently, this dynamic has spurred heightened production of helmets and contributed to the enhancement of safety standards within the industry.

Integration of latest technology in helmets

Helmets have transcended their traditional role as mere safety gear to become a defining fashion statement. A growing number of riders seek helmets that reflect their individual style and complement their personality and lifestyle. This burgeoning trend has spurred the introduction of innovative helmet designs and the emergence of new brands catering to diverse tastes and preferences. Consequently, consumers now enjoy an expanded array of helmet options, reflecting the evolving fusion of safety and style in the market.

Motorcycles are preferred more of transportation

In India, the motorcycle market is experiencing rapid expansion propelled by increasing incomes, urbanization, and enhancements in road infrastructure. This swift urbanization trend is anticipated to continue, leading to substantial growth in the urban population and the number of households.

Exports gaining prominence with "Make in India" initiative

The government's Make in India initiative has spurred the domestic manufacturing of helmets, consequently elevating the popularity of Indian-made helmets in international markets. Anticipated growth in demand, coupled with government support for local production, is expected to propel the export market for helmets in the forthcoming years, presenting manufacturers with fresh avenues for expanding their consumer reach.

E-commerce to contribute to greater market share and margin expansion

The proliferation of e-commerce platforms has facilitated convenient online purchases of helmets, resulting in a notable uptick in the market share of online sales channels. This trend offers manufacturers additional opportunities to broaden their customer base and enhance profit margins.

¹<https://www.transparencymarketresearch.com/helmet-market.html#:~:text=Manufacturers%20are%20introducing%20new%20designs,region%20is%20fueling%20market%20expansion.>

²<https://www.mensxp.com/auto/new-bikes/152689-exploring-off-road-biking-in-india.html>



Branding and marketing

At Studds, our marketing and branding efforts focus on highlighting our dedication to innovation, quality, and customer satisfaction. We leverage various platforms to showcase our cutting-edge products and engage with our community.

By emphasizing our focus on safety and reliability, we build trust and loyalty among our customers. Our brand represents excellence in protective gear, and we continuously strive to reinforce this image through strategic marketing and consistent messaging.



At Studds, we provide instructional videos on social media to guide our customers through helmet repairs and part replacements. These videos empower customers to maintain and extend the life of their helmets, ensuring safety and reliability. By offering easy-to-follow repair tutorials, we help customers save time and money while keeping their head gear in top condition.



Scan the QR Code to watch the video



New launches



GTJ



BIONIC ADULT & KIDS



RAIDER



THUNDER CR



TYPHOON RE-LAUNCH WITH NEW STYLE



VOGUE ECO (NON-PAINTED)

Cultivating an empowering work environment

At Studds, we recognize that our employees are the foundation of our achievements. We prioritize cultivating a work environment characterized by inspiration and empowerment. We nurture a culture of collaboration and mutual support, where our team members have opportunities for personal and professional growth.

Recognizing and Rewarding Excellence

We understand the importance of recognition and rewards in motivating our workforce. To this end, we have implemented various programs to incentivize and acknowledge outstanding performance. These initiatives include bonuses, promotions, and other forms of recognition, promoting a culture of excellence and instilling pride in our employees' contributions.

Investing in Training and Development

Our investment in personnel includes comprehensive training and development programs to equip our workforce with the skills and competencies needed for ongoing success. We also offer a range of learning opportunities and career advancement pathways, enabling continuous skill enhancement and professional growth for our employees.

3000+

Total workforce (Including casual and contractual workers)

20 numbers

Training imparted



Building stronger connections

We are dedicated to operating in an economically, socially, and environmentally sustainable manner, recognizing the interests of our stakeholders.

Our approach to corporate social responsibility goes beyond statutory requirements and is closely linked with sustainable development practices, community engagements and providing support to underprivileged section of the Society. Our efforts extend beyond philanthropic activities, integrating social and business goals to achieve a holistic impact.

Community Engagements and Internal Campaigning

Bridging Classroom Learning with Real-World Experience

Students from Kendriya Vidyalaya NIT-1 Faridabad had an enlightening visit to our plant in collaboration with BIS. They explored manufacturing processes, safety standards, and plant safety guidelines, gaining valuable insights. This visit demonstrated that education extends beyond the classroom, providing a practical understanding of industry practices.



We hosted students from Govt. College for Women, Faridabad, in collaboration with the Bureau of Indian Standards (BIS). The students explored the intricacies of helmet manufacturing and engaged with experts to understand the latest safety standards. This initiative reflects our dedication to education and safety awareness.



At our core, we believe in empowering communities through unwavering support and commitment. By investing in education, healthcare, and holistic development, we aim to nurture every facet of community growth. Together, we can build a brighter future where everyone thrives.

Beyond Business: Our CSR efforts

Studds is dedicated to foster community growth and development through impactful initiatives. By creating vibrant spaces for recreation and learning, the company brings people together, promoting education, sanitation, health care, environment sustainability resulting community bonding, creating a better world and giving back to the society.

Education (Shiksha)

Education remains a cornerstone of Studds mission. The company provides scholarships to underprivileged and specially-abled children, covering essential needs such as tuition, uniforms and supplies. This includes contributions towards school fees for children who need special care, ensuring access to quality education and opportunities for a brighter future.

Health Care (Arogya)

We are committed to enhance health care by contributing towards special therapy for children and addressing medical ailments for adults on a case-by-case basis. This support underscores the Company's dedication for improving the well-being of individuals in the community.

Environmental Maintenance

Active participation in maintaining the environment by supporting initiatives such as maintaining public parks and implementing rainwater harvesting systems. These efforts helps creating sustainable and green spaces for the community.



Furthermore, Studds contributes to the PM Fund, reinforcing its commitment to national development and welfare. This comprehensive approach, showcases dedication for making a lasting, positive impact on society.

Awards and accolades



**Accessories Award
2013-2014**



**Commendable Export
performance 2007-2008**



**Certificate of
Excellence 2018-2019**



**Certificate of
Appreciation 2022**



**Company of the year
(Auto Accessories)**



**By Bureau of Indian
Standards
(In the year 2022)**



**3.0 Technology Excellence
Awards - Manufacturing
Edition 2024 - Delhi**

Corporate information

Directors

Mr. Madhu Bhushan Khurana
Chairman and Managing Director
DIN: 00172770

Mr. Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Mr. Shanker Dev Choudhry
Independent Director
DIN: 07094705

Ms. Pallavi Saluja
Woman Independent Director
DIN: 07006557

Mr. Pankaj Duhan
Independent Director
DIN: 08093989

Chief Financial Officer

Mr. Manish Mehta

Company Secretary

Ms. Asha Mittal

Bankers

HDFC Bank

Auditors

M/s Rajan Chhabra & Co.



Management Discussion and Analysis

Economic overview

Global economy¹

The global economy showcased remarkable resilience throughout the CY 2023, despite grappling with various macroeconomic hurdles. It achieved a commendable growth rate of 3.2% despite navigating challenges such as geopolitical disequilibrium, volatile commodity prices and high inflationary pressures in both advanced and emerging markets. Major central banks responded to the mounting inflation by cautiously adjusting interest rates, consequently leading to a gradual decline in inflation from its peak in CY 2022. This measured approach contributed to steady economic growth and rise in employment opportunities in the US, Europe and other emerging economies.

However, the disruptions in trade and supply chains, aggravated by ongoing geopolitical instability posed significant challenges. China's economy encountered difficulties throughout 2023, and are expected to persist into 2024, raising concerns due to its cardinal role in global manufacturing and supply chains. Conversely, several emerging markets such as India, Vietnam and Mexico are experiencing robust growth supported by increasing capital inflows from foreign institutional investors.

Looking ahead, despite lingering geopolitical turmoil in Europe and West Asia, there prevails a sense of cautious optimism regarding global economic prospects. As per the projections a steady growth is expected in the coming years, supported by the easing of inflationary pressures and the adoption of more accommodative monetary policies by central banks. Projections further suggest a gradual boost in global growth to 3% in CY 2024 and 3.3% in CY 2025. The unwavering efforts of governments and the resilience exhibited by economies worldwide are expected to play a crucial role in shaping a sustainable and inclusive growth trajectory in the foreseeable future.



In 2024, Europe's economic growth is prepared for a rebound, marking a recovery from the subdued growth experienced in CY 2023. This revival is primarily driven by a rebound in household consumption, propelled by the waning effects of the energy price shock and a subsequent decline in inflation, which in turn supports real income growth. Particularly in the euro area, the growth trajectory is expected to show significant improvement, climbing from an estimated 0.4% in 2023 to 0.8% in 2024 and further to 1.5% in 2025.

The anticipated recovery is underpinned by improved financial conditions and the gradual normalisation of economic activities. However, it is important to note that despite these positive indicators, the growth outlook remains subdued when compared to historical standards. This outlook is attributed to ongoing geopolitical tensions, structural challenges within the labour market, and the effects of fiscal tightening aimed at stabilizing elevated debt levels.



Asia's economic landscape is characterised by a divergence in growth prospects across the region. The emerging and developing Asia is expected to see a deceleration in growth, with GDP projected to reach 5.2% in 2024, down from an estimated 5.6% in 2023. This slowdown is largely attributed to China's economic trajectory, where growth is expected to moderate from 5.2% in 2023 to 4.6% in 2024. The Chinese economy

¹<https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>



grapples with challenges stemming from its property sector and weaker consumer confidence, which exerts pressure on domestic demand, contributing to this deceleration.

In stark contrast, India is projected to maintain robust growth supported by strong domestic demand and a growing working-age population, which continues to drive economic expansion.



Latin America

Latin America's economic outlook reflects modest growth, with the region's GDP expected to grow by 2.0%, in the coming year showing a slight decrease from an estimated 2.3% growth in 2023. The region's largest economy Brazil is projected to see a deceleration in growth to 2.2% in 2024, down from 2.9% in 2023. This slowdown is primarily due to fiscal consolidation measures and the lingering effects of tight monetary policy, which are expected to weigh on domestic demand.

In the case of Mexico, another significant economy in the region, growth is forecasted to reach 2.4% in 2024. Despite the country's efforts towards fiscal expansion, concerns linger over manufacturing contraction posing risks to its economic trajectory. Across Latin America, countries are grappling with high inflation rates and the need for structural reforms aimed at boosting productivity and economic resilience. Efforts to improve governance and investment climates are critical to attracting foreign investment and stimulating growth.



Middle East

In the Middle East, the economic landscape presents a blend of opportunities and challenges with a mixed outlook prevailing. Overall growth in the region is expected to rise from an estimated 2.0% in 2023 to 2.8% in 2024. This improvement is partly due to a recovery in oil prices, providing essential support to the region's oil-exporting economies. However, amidst these promising indicators, geopolitical tensions and ongoing global economic uncertainties continue to pose risks to the region's stability and growth.

Saudi Arabia, a key economy in the region, is projected to see an increase in GDP growth from -0.8% in 2023 to 2.6% in 2024, driven by higher oil production and proactive government-led endeavours aimed at economic diversification.

Indian economy

Despite navigating various global challenges, the Indian economy remained one of the fastest growing major economies in the world. India's real GDP grew by 8.2 % in FY 2024, supported by strong macroeconomic foundation, growing domestic demand and wise monetary policies implemented by the RBI.

The manufacturing sector played a key role in driving the country's industrial growth, with a steady 11.6% increase during FY 2024. This surge in industrial activity was complemented by a reassuring decline in inflation and a notable rise in credit demand, supporting a climate of economic optimism. Headline inflation, as measured by the year-on-year changes in the all-India consumer price index (CPI), remained stable at 5.4% in FY 2024.

Efforts to streamline supply chains coupled with a heightened governmental focus on expenditure acted as effective shields against significant economic shocks, strengthening India's economic landscape. Moreover, India's emergence as a viable alternative to China on the global stage is highlighted by projections positioning it as the world's third-largest economy by 2027. Merchandise exports witnessed a seasonal peak in March 2024, coinciding with the peak in industrial production. With the industrial sector witnessing a significant surge in capacity utilisation, economic growth gained further momentum, signalling a promising trajectory for the Indian economy.

Looking ahead, amidst global unpredictability, India's economic future shines brightly, anchored by strong foundations such as expanding credit demand, improved government focus on public capital expenditures, political stability and a progressive increase in private capital expenditures. Additionally, the strong banking and financial services industry is anticipated to support the nation's growth trajectory. With India swiftly emerging as the preferred manufacturing destination to meet global demand, its growth is predicted to outpace other economies due to its sizable domestic market and growing export prospects.

India GDP growth rate (%)

FY 2022	9.7%
FY 2023	7.0%
FY 2024	8.2%

Industry overview

India's Two wheeler industry

The overall growth in the automotive sector is positively impacting the two-wheeler industry putting it on a promising trajectory in 2024. This surge in growth is due to a confluence of factors including enhanced supply chains, heightened consumer demand and an overall upbeat market sentiment.²

Additionally, the accessibility of financing options is widening, rendering two-wheelers a more attainable option for a wider range of consumers.

Adding to this momentum, is the Indian government's push towards cleaner and more sustainable transportation which has led to increased investments in the two-wheeler sector. Along with that, the policies promoting electric mobility, fuel efficiency and emission reduction are driving substantial growth in the industry.

A particularly exciting development within the two-wheeler industry is the rise of the electric vehicle (EV) segment. The penetration of electric two-wheelers is steadily increasing, driven by a surge in sales. Two-wheelers (2Ws) are expected to be one of the early adopters in embracing electrification. In FY2024, the number of electric cars sold annually exceeded 1.7 million, with registered electric two-wheelers (E2W) accounting for over 55% of this total.

Electric two wheeler sales growth³

FY 2022	252641
FY 2023	728054
FY 2024	944126

This segment is attracting consumers due to its eco-friendly nature and the promise of potentially lower running costs. Government initiatives aimed at promoting electric vehicle adoption such as subsidies and tax breaks are further accelerating this growth. As battery technology continues to advance and charging infrastructure expands, the electric two-wheeler segment is poised for even greater expansion in the years ahead.

Helmet industry overview

The rising popularity of motorcycles and stringent government regulations to increase rider safety awareness are driving the market demand for motorcycle helmets. The growth in the motorcycle helmet industry can be attributed to several key factors. Chief among them is the increasing number of traffic-related injuries and fatalities particularly among motorcycle riders that has heightened the demand for protective gear like helmets.

Studies have shown that wearing a certified helmet can reduce the risk of death by 42% and severe head injuries by 69%, making it a crucial safety measure.⁴ Also, the implementation of strict helmet laws and regulations by governments worldwide has further fuelled the market's expansion. The Department of Transportation (DOT) approved helmets which meet stringent safety standards have gained widespread acceptance, particularly in the United States.

Regionally, the Asia-Pacific market dominates the motorcycle helmet market, driven by the high volume of two-wheeler sales, rising disposable income and the presence of numerous two-wheeler original equipment manufacturers (OEMs) in countries like India, China and Vietnam. Europe and North America are expected to maintain steady growth, while markets in the Middle East and Africa and Latin America are projected to show significant potential due to increasing motorcycle adoption. The advent of smart helmet technology has opened up new avenues for innovation and growth within the industry. Smart helmets equipped with features like built-in communication systems, rear-view cameras and integrated navigation are gaining traction among tech-savvy riders, further propelling the market's expansion.

Motorbike protective gear market

As the popularity of superbikes is on the rise, India boasting a large two-wheeler market, drives significant demand for protective gear. This includes helmets, jackets, gloves and boots, which are crucial in ensuring rider safety and reducing the risk of severe injuries in accidents. The industry's expansion is further supported by stringent safety regulations and standards imposed by governments worldwide, compelling riders to adopt protective gear.

Consumers are increasingly enlightened about the effectiveness of protective gear in mitigating injuries during crashes. This trend is further fuelled by a growing penchant for adventure riding and touring, where specialised protective gear becomes even more crucial. Furthermore, the industry is witnessing exciting advancements in innovation as manufacturers continuously push the boundaries with materials and designs striving to create lighter, more breathable and more comfortable protective gear while maintaining the highest safety standards. As the two-wheeler market continues its upward trajectory, the protective gear industry is well-positioned for continued growth and innovation, ensuring a safer ride for two-wheeler enthusiasts worldwide.

²<https://fada.in/images/press-release/1663af19a1dcbdFADA%20releases%20April%202024%20Vehicle%20Retail%20Data.pdf>

³<https://www.smev.in/fy-23-24>

⁴<https://blogs.worldbank.org/en/endpovertyinsouthasia/lets-be-helm-road-safety-helmets#:~:text=Keeping%20a%20Lid%20on%20Road%20Crashes%20According,death%20by%2042%20and%20injuries%20by%2069%.>



Company overview

Studds Accessories Limited stands as a premier Indian manufacturer of helmets and motorcycle accessories. Remarkably, the Company has grown to become the largest two-wheeler helmet manufacturer in the world, producing over seven millions helmets and more than a million motorcycle accessories annually in FY 24 across its four state-of-the-art facilities. With an extensive product portfolio including full face, flip-up, off-road, sporting helmets, Studds commands about 30% market share in India. Not confining its influence to domestic borders, Studds boasts a robust global presence, exporting its products to more than seventy countries across Europe, Asia, America, Australia and the Middle East.

The Company's success is built on its continuous emphasis on safety combined with style, design and quality, creating a loyal customer base for its unique product offerings. With the Indian government implementing stricter helmet laws to improve rider safety, the outlook for Studds and the helmet industry remains positive, benefiting from policy tailwinds and rising safety awareness. Studds is well-positioned to capitalise on these trends with its manufacturing capabilities, extensive distribution network and market leadership in the two-wheeler helmet segment.

Financial highlights

Figures in Rs. Millions	FY 2024	FY 2023
Revenue	5,290.23	4991.69
EBITDA	970.08	674.74
PBT	763.75	465.52
PAT	572.27	332.58
Net Worth	3,874.05	3379.65

Key ratios

Ratios	FY 2024	FY 2023
Current Ratio (in times)	2.05	1.31
Net Debt Equity Ratio	0.02	0.09
Return on Equity (in %)	15.78	10.25
Net Profit (in %)	10.82	6.66
Return on Capital Employed (in %)	18.89	12.82

Performance highlights

During the fiscal year 2023-24, the Company achieved a revenue of Rs. 5,290.23 million, marking an increase from Rs. 4,991.69 million in FY 2022-23. The EBITDA for FY 2023-24 reached at Rs.

970.08 million, compared to Rs. 674.74 million in FY 2022-23. Furthermore, the Company's net worth amounted to Rs. 3,874.05 million in FY 2023-24, rising from Rs. 3,379.65 million in FY 2022-23.

Human resources

At Studds, the workforce has been the driving force behind its continued success and innovation. In FY 2024, the Company is continued to focus on cultivating a dynamic, diversified and engaged workforce. Embracing fair and ethical business practices, Studds fosters a culture steeped in integrity and mutual trust, recognising the invaluable role of employees in driving progress.

With a deliberate focus on acquiring talent from diverse backgrounds, Studds endeavours to foster creativity and innovation within its ranks. The Company continues to prioritise investing in its people and human resources and fostering an organisational culture that drives consistent improvement. Central to this ethos are learning and development programmes, designed to offer employees avenues for career growth through internal job rotations and mentorship initiatives. Enhanced communication channels and feedback mechanisms further bolster employee reinforcing Studds' commitment to fostering a supportive and collaborative work environment.

These human capital initiatives are expected to strengthen the Company's objectives, nurturing a high-performing, future-ready workforce capable of driving sustainable growth and innovation across its business verticals. With a talent pool comprising more than 3000 employees spread across its production facilities and offices, Studds has witnessed remarkable growth over the years by prioritising leadership development and strong employee engagement.






Management outlook

The Company remains highly optimistic about its growth prospects in both domestic and international markets. The company's product development roadmap for the next 1-3 years is robust and exciting, expected to reinforce its position as a leader in helmet manufacturing.

The domestic two-wheeler market is projected to grow and Studds is strategically positioned to capture a significant share of this expansion. The burgeoning electric vehicle segment is reshaping the company's addressable market, creating exciting new opportunities for innovation and sales.

International markets have become more accessible than ever, and the "China Plus One" strategy is generating substantial opportunities for Indian manufacturers. This shift is expected to significantly bolster Studds' growth targets, allowing the company to capitalise on global market trends and drive its expansion further.

Risk management

Key Risk	Impact on Organisation	Mitigations
 Regulatory risk	The Company operates in the helmet manufacturing industry which is subject to stringent safety regulations and certifications. Non-compliance with the regulations could lead to penalties, product recalls, or even halting of operations, adversely impacting the business.	Studds consistently invests in expanding and enhancing testing facilities and technologies to ensure that all products meet or surpass safety standards. The company strictly follows rigorous quality control processes throughout the production cycle to identify and correct any deviations from regulatory requirements.
 Competition risk	The presence of a large unorganised segment and competition from established brands creates pricing pressure and scalability challenges for the Company.	The Company is advancing technology to enhance product quality and reduce costs, implementing backward integration to control the supply of critical components and automating key manufacturing processes, including the material automation of matrix processes, to increase efficiency and adaptability. These strategies help the Company manage pricing pressures and scalability challenges posed by a large unorganised segment and established brands.
 Market risk	Failure to understand and respond to changing customer preferences in terms of style, design and safety features could lead to a decline in demand for Studds products.	The Company prioritises continuous staff training and awareness programmes to stay attuned to evolve market trends and customer preferences.
 Supply chain risk	Overdependence on a few suppliers and any disruptions in the supply chain could lead to production delays and increased costs for the Company.	For supply chain risk, the Company is diversifying its supplier base to avoid overdependence on a few vendors, actively seeking local sourcing to reduce reliance on exports and indigenising raw materials to enhance supply chain resilience. These efforts minimise production delays and cost increases caused by supply chain disruptions.
 Financial risk	Fluctuations in raw material prices could adversely impact the profitability and margins of the Company.	The Company uses contingency planning to manage the financial risks related to fluctuations in raw material prices.

Internal control systems and their adequacy

The Company has a strong internal audit system in place, which is regularly monitored and updated to safeguard assets, comply with regulations and promptly address any issues. The audit committee diligently reviews internal audit reports, takes corrective action as required and maintains open communication with both statutory and internal auditors to ensure the effectiveness of internal control systems. This robust internal audit framework ensures that the Company operates with integrity, transparency and accountability while mitigating risks and safeguarding the interests of stakeholders.

Cautionary statement

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified and unidentified risks and

uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, unforeseen adverse events like the global pandemic may pose an unprecedented, unascertainable, risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.



Board's Report

To
The Members of
Studds Accessories Limited

Your Board of directors have pleasure in presenting the 42nd Annual Report on the business and operations of the Studds Accessories Limited (the Company/'Studds'), together with the Audited Financial Statements, for the financial year ('FY') ended March 31, 2024.

1. FINANCIAL HIGHLIGHTS

The standalone and consolidated financial statements for the financial year ended March 31, 2024, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

The Company's financial performance during the financial year 2023-24 as compared to the previous financial year 2022-23 is summarized below:

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	5,290.23	4,991.69	5,290.23	4,991.69
Other Income	68.15	73.11	68.15	73.11
Total Income	5,358.38	5,064.80	5,358.38	5,064.80
Profit before Finance Cost, Depreciation and Amortization Expenses	970.08	674.74	970.08	673.63
Less: Finance Cost	16.05	28.21	16.05	28.21
Profit before Depreciation	954.03	646.53	954.03	645.42
Less: Depreciation	190.28	181.01	190.28	181.01
Profit Before Tax	763.75	465.52	763.75	464.41
Less: Tax Expenses				
Current Tax	181.24	106.25	181.24	106.25
Deferred Tax	10.20	21.51	10.20	21.51
Tax Related to earlier periods	0.04	5.18	0.04	5.18
Profit After Tax	572.27	332.58	572.27	331.47
Face Value per Equity Share (in Rs.)	5/-	5/-	5/-	5/-
Earnings Per Share				
Basic EPS	29.08	16.90	29.08	16.85
Diluted EPS	29.08	16.90	29.08	16.85

(Rupees in millions)

2. STATE OF AFFAIRS AND BUSINESS PERFORMANCE

We have come a long way, from manufacturing of our first helmet in a garage to become one of premier and stronger manufacturer in the helmet industry.

In last 5 decades, we have continuously innovated ourselves so that we deliver on our promise of providing safety to a two wheeler rider. We at STUDDS believe that dreams differentiate the better from the best and hence it's our small effort in the journey of the individual to fulfil his/her dreams. As we touch millions of lives every year, we continue to ride on this trust with our passion to produce safe, innovative, comfortable yet quality products.

Our Company sells its product globally through 200+ distributors and 500 dealers across 70+ countries.

We would like to highlight that the Helmet manufacturers in India are starting to experience a trend towards consolidation, driven by

- regulatory changes, demanding more stringent safety standards;
- consumer awareness about road safety including the importance of wearing high quality and premium helmets; and
- Replacement market and fashion driven market for helmets.

Annual Production of helmets and motorcycle luggage boxes in FY 2023-2024 was over Seven Million which is a 15% increase YoY. We also saw an increase of 6% to our accessories' production. Attention to detail in features

such as padding, ventilation, and weight distribution has not gone unnoticed by our riders leading to an increase in demand for Studds and SMK branded helmets. We will continue to solidify our market leadership in India and internationally.

3. FINANCIAL PERFORMANCE

The revenue was Rs. 5,290.23 million in FY 2023-24, as compared to Rs. 4,991.69 million in FY 2022-23. The EBITDA was at Rs. 970.08 million in FY 2023-24 as compared to Rs. 674.74 million in FY 2022-23. Net Worth stood at Rs. 3,874.05 million in FY 2023-24 as compared to Rs. 3,379.65 million for FY 2022-23. Total comprehensive income for the period stood at Rs. 573.11 million in FY 2023-24 as compared to Rs. 330.61 million in FY 2022-23.

4. DIVIDEND

The Board is pleased to recommend a dividend of Rs. 4 per equity share (80% of face value of Rs. 5 per share) on 1,96,76,700 fully paid-up Equity Shares of the Company, for the year ended March 31, 2024, in their meeting dated June 22, 2024. The Dividend is subject to the approval of the Shareholders at the forthcoming 42nd Annual General Meeting ('AGM') of the Company as stipulated in the Notice of 42nd AGM.

The dividend of Rs. 4/- (i.e 80%) on 1,96,76,700 fully paid-up Equity Shares had declared by the Company and accordingly paid for the year ended March 31, 2023, during the year under review.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

The dividend once approved by the Shareholders will be paid in accordance with the applicable provisions of the Companies Act 2013 and the rules made thereunder. If approved, the dividend would result in a total cash outflow of Rs. 7,87,06,800/- (including of TDS payable thereon) (previous year Rs. 7,87,06,800/-).

5. TRANSFER OF UNCLAIMED / UNPAID DIVIDEND/ SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). During the period under review, the Company was not liable to and thereby has not transferred any unpaid and unclaimed dividend amount, to the IEPF Authorities.

Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed

for seven consecutive years, shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account, after giving due notices to the concerned shareholders. However, no such case falls under this category and accordingly, no share has been transferred during the year under review to the Demat account of IEPF Authority.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority this year, if any. Members/ Shareholders are advised to visit the weblink <https://www.studds.com/investor-relations> to ascertain details of dividend/ shares, if any, liable for transfer to the IEPF Authority and the details of the nodal officer are also available on the said link.

6. RESERVES

No amount has been transferred to General Reserve, during the financial year 2023-24.

7. MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report, except elsewhere mentioned in this report.

8. CHANGE IN THE NATURE OF BUSINESS

During the financial year 2023-24, there was no change in the nature of business of the Company.

9. CREDIT RATINGS

During the year following Ratings were awarded by CARE Ratings Limited on February 12, 2024.

Particular	Reaffirmed	Previous
Long term rating (Long term bank facilities)	CARE A+; Stable (Single A Plus; Outlook: Stable)	CARE A+; Stable (Single A Plus; Outlook: Stable)
Short term rating (Short term bank facilities)	CARE A1+ (A One Plus)	CARE A1+ (A One Plus)

10. PUBLIC DEPOSITS

Your Company has not accepted any deposit(s) within the meaning of chapter V of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2023- 24.

11. SHARE CAPITAL

During the financial year 2023-24, there is no change in the Share Capital of the Company.

**Authorised Share Capital**

The Authorised Share Capital of the Company as at March 31, 2024 and as on date is Rs. 25,00,00,000/- (Rupees Twenty Five Crore only) divided into 5,00,00,000 (Five Crore) Equity Shares of Rs. 5/- (Rupees Five only) each.

Paid-up Share Capital

The Paid-up equity share capital of the Company as at March 31, 2024 and as on date stands at Rs. 9,83,83,500 (Rupees Nine Crore Eighty Three Lakh Eighty Three Thousand Five Hundred only) consisting of 19676700 (One Crore Ninety Six Lakh Seventy Six Thousand Seven Hundred) equity shares of Rs. 5/- (Rupees Five only) each.

12. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company has one wholly owned subsidiary company SMK EUROPE, UNIPESSOAL LDA ('SMK') which was incorporated on July 30, 2019. During the year under review, the share capital has been disinvested from August 2, 2023 to August 14, 2023 and the closure of SMK EUROPE UNIPESSOAL LDA has been initiated and accordingly company had received the Certificate of Liquidation and cancellation of enrolment thereof, effective from September 19, 2023, from the country of Portugal.

13. CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the Company and its subsidiary for FY24 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') as well as in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The audited consolidated financial statements together with the Independent Auditor's Report thereon forms part of this Annual Report.

Further, pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statement of the subsidiary company upon a request by any Member of the Company. These financial statements of the Company and the subsidiary company will also be kept open for inspection by Members. In accordance with Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the subsidiary company in Form AOC-1 is annexed as **Annexure 1**. The statement also provides the details of performance and financial position of the subsidiary. However, during the year, closure of SMK EUROPE UNIPESSOAL LDA has been initiated and a Certificate of Liquidation and cancellation of enrolment, effective from September 19, 2023 has been received from the country of Portugal. Financial Statement(s) and other related information or report(s) of the subsidiary company is available on the website of the Company at <https://www.studds.com/investor-relations>.

14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant and material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

However, members' attention is drawn to the statement on contingent liabilities in the notes forming part of the Financial Statements.

15. ENVIRONMENT, HEALTH AND SAFETY

Environment, Health and Safety are among the core values of your Company. In order to promote zero accident culture, your Company has conducted various training & awareness programs. Employees are encouraged to report all incidents so that preventive actions can be taken to avoid any mishap. Environment sustainability is paramount to any industry and your Company is conscious of its responsibility towards the impact of its operations on the environment. The Health and Safety of employees is paramount and Studds stand on Environment, Health and Safety of its employees. Our strategies are directed towards achieving the greener and safe operations across all units by optimising the usage of natural resources and providing a safe and healthy workplace.

Your Company believes that healthy and hygienic work environment not only benefits the workforce but it also increases the productivity and works as a retention tool.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**Directors****Appointment / Re-appointment**

As on March 31, 2024, the Board comprised with two Executive Directors and three Non-Executive Independent Directors including one Woman Independent Director.

During the period under review, there is no change in composition of Board of Directors of the Company. However, Mr. Madhu Bhushan Khurana (DIN: 00172770), retires by rotation at the 41st Annual General Meeting (AGM) and offered himself for re-appointment and reappointed.

In accordance with the provisions of the Section 152 of the Companies Act, 2013 and the company's articles of association, Mr. Sidhartha Bhushan Khurana (DIN: 00172788), retires by rotation at the forthcoming Annual General Meeting (AGM) and is offering himself for re-appointment. The Board of Directors in their meeting held on August 24, 2024 recommended to the members of the Company for re-appointment of Mr. Sidhartha Bhushan Khurana, as given in the Notice of AGM.

Further, on the recommendation of Nomination and Remuneration Committee, the Board recommends the appointment of Ms. Shilpa Arora (DIN:10733950) whose period of office liable to retire by rotation as the Whole-time Director of the Company in the category of Executive Director and designated as 'Global Sales Head' of the Company (excluding India, Nepal and Bangladesh) and CEO of Bikerz US Inc., Wholly Owned Subsidiary of the Company effective from August 24, 2024 to August 23, 2029 (both days inclusive). The disclosures required pursuant to the Secretarial Standards ('SS')- 2 on General Meetings are given in the Notice of AGM, forming part of the Annual Report.

The Directors of the Company as on March 31, 2024, are:

S. No	Name of the Director	Director Identification Number	Designation and Category
1	Mr. Madhu Bhushan Khurana	00172770	Chairman and Managing Director (Executive Director)
2	Mr. Sidhartha Bhushan Khurana	00172788	Managing Director (Executive Director)
3	Mr. Shanker Dev Choudhry	07094705	Independent Director (Non-Executive Director)
4	Ms. Pallavi Saluja	07006557	Woman Independent Director (Non-Executive Director)
5	Mr. Pankaj Duhan	08093989	Independent Director (Non-Executive Director)

Independent Directors

In terms of Section 149 of the Act, Mr. Shanker Dev Choudhry, Ms. Pallavi Saluja and Mr. Pankaj Duhan are the Independent Directors of the Company as on date of this Report.

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act. The Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Maximum Tenure of Independent Directors

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be reappointed for another term of five consecutive years. The date of appointment/ re-appointment and completion of current tenure of the Independent Directors are given below:

S.No	Name of Independent Director	Date of Appointment / Reappointment	Date of Completion of Current Tenure
1	Mr. Shanker Dev Choudhry	September 26, 2015	March 1, 2025
2	Ms. Pallavi Saluja	September 26, 2015	March 1, 2025
3	Mr. Pankaj Duhan	September 28, 2018	April 8, 2028

Independent Directors Meeting

During the year under review, a separate meeting of the Independent Directors of the Company was held on March 2, 2024, without the presence of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent

The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the rules made thereunder and are independent of the management and possess the requisite expertise and experience and are persons of high integrity and repute.

There has been no change in the circumstances affecting their status as Independent Directors of the Company.

Pecuniary relationship or transactions with the Company

During FY24, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees, and reimbursement of expenses, incurred by them, if any, for the purpose of attending meetings of the Board/ Committees of the Board.

Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity, and timelines of flow of information between the Company Management and the Board in terms of Schedule IV of the Companies Act, 2013. All the Independent Directors of the Company were present in the meeting.



Key Managerial Personnel

In terms of provisions of Section 2(51) and Section 203 of the Act, the Key Managerial Personnel ('KMPs') of the Company as on March 31, 2024 are:

Sl. No	Name	Designation
1	Mr. Madhu Bhushan Khurana	Chairman and Managing Director
2	Mr. Sidhartha Bhushan Khurana	Managing Director
3	Mr. Manish Mehta	Chief Financial Officer
4	Ms. Asha Mittal*	Company Secretary

*During the year under review, Ms. Asha Mittal, Company Secretary of the Company has been appointed with effect from March 2, 2024 consequent to resignation of Mr. Hitesh Wadhwa, former Company Secretary, effective from November 11, 2023.

17. ANNUAL PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the applicable provisions of the Companies Act, 2013, an Annual Performance Evaluation of the Board, its Committees and the individual Directors is to be carried out either by the Board or by the Nomination and Remuneration Committee ('NRC') or by an independent external agency and the Board is required to review its implementation and compliance. In view of the above, the Annual Performance Evaluation was undertaken by the Board.

The Board conducted an annual evaluation for evaluating its performance as well as that of its Committees and individual Directors, including the Chairman of the Board. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The criteria to evaluate the performance of the Board, Committees, Independent Directors and Non-Independent Directors commonly & majorly were;

a) Composition, size, mix of skills, experience and capabilities required for the role; b) Attendance and deliberation in the meetings; c) Contribution / suggestions for effective functioning, development of strategy, board processes, conflict of interest, policies and others.

Performance of the Chairperson was evaluated by the Independent Directors after taking into account the views of Executive and Non-executive Directors, on the parameters such as Demonstration of effectiveness of leadership and ability to steer the Meetings, Impartiality, Commitment, Ability to keep shareholders' interests in mind, Quality of discussions at the Board meetings, Use of time and overall efficiency of Board meetings, etc.

Directors were evaluated individually by the Board of Directors (except the Director himself/herself) on the parameters such as his/ her preparedness at the meetings, Attendance at the meetings, Competency, Fulfilment of functions, Ability to function as a team, Initiative, Integrity, Participation in Committee and General

Meetings, Ability to act Objectively and Constructively, Abuse of position, Quality of contributions at the meetings, application of knowledge and experience while considering the strategy, etc. Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence, balance of skills, knowledge, experience and their independent judgement and independence from the Management. A Separate meeting of Independent Directors was also held to review the performance of Chairman of the Company and Non-Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company. Outcome of the evaluation was submitted to the Chairman of the Company.

18. DIRECTORS RESPONSIBILITY STATEMENT

In compliance of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the Directors of the Company, based on representation received from management, confirmed the following:

- in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2024 and of the profit and loss of the Company for the year ended March 31, 2024;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

Based on the framework of internal financial controls (including the Control checks) for financial reporting and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditor(s) and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2023-24; and

- that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

19. BOARD AND COMMITTEES

Meetings of the Board and its Committees are conducted to discuss and approve various strategies, policies, financial matters and such other businesses.

MEETING OF BOARD OF DIRECTORS

The Board has diversity in terms of age, expertise, domain experience, gender etc. The Board of Directors takes into

account the interest of all Stakeholders while discharging its responsibilities and provides leadership and guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to the high standards of ethics, transparency and disclosures. The maximum gap between any two consecutive Board Meetings was less than one hundred and twenty days as stipulated under the Act. Necessary quorum was present in all the Board meetings. Agenda papers were shared to the Directors, before the meetings with in the stipulated time. Draft Minutes of the Board and Committee meetings were circulated to the Directors of the Company for their comments and thereafter, noted by the Board/ Committee in its next Meeting.

The Board met four (4) times during the financial year ended March 31, 2024, i.e. on June 24, 2023, August 29, 2023, November 4, 2023, and March 2, 2024. The Details regarding attendance of directors in the above said board meetings are as follows:

Name	Director Identification Number	Designation and Category	No of Meetings Attended
Mr. Madhu Bhushan Khurana	00172770	Chairman and Managing Director (Executive Director)	4
Mr. Sidhartha Bhushan Khurana	00172788	Managing Director (Executive Director)	4
Mr. Shanker Dev Choudhry	07094705	Independent Director (Non-Executive Director)	3
Ms. Pallavi Saluja	07006557	Woman Independent Director (Non-Executive Director)	4
Mr. Pankaj Duhan	08093989	Independent Director (Non-Executive Director)	3

None of the Director of the Company serve as a director, including any alternate directorship, in more than twenty companies including not more than ten in public companies in compliance with Section 165 of the Companies Act, 2013.

Mr. Madhu Bhushan Khurana, Chairman and Managing Director and Mr. Sidhartha Bhushan Khurana, Managing Director are related to each other, being Mr. Madhu Bhushan Khurana is father of Mr. Sidhartha Bhushan Khurana, in accordance with section 2 (77) of the Companies Act, 2013 read Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014. Mr. Madhu Bhushan Khurana and Mr. Sidhartha Bhushan Khurana are also the promoters of the Company.

Details of attendance of the Board of Directors at the last Annual General Meeting duly held on September 29, 2023:

Name	Whether Last AGM Attended
Mr. Madhu Bhushan Khurana	Yes
Mr. Sidhartha Bhushan Khurana	Yes
Mr. Shanker Dev Choudhry	Yes
Ms. Pallavi Saluja	Yes
Mr. Pankaj Duhan	No

COMMITTEES OF THE BOARD

The Board of Directors has constituted various Committees to ensure effective working of the Company in compliance with the provisions of the Companies Act, 2013 and rules framed thereunder. The Board has following Committees as on March 31, 2024, are:

- (a) Audit Committee;

- (b) Nomination and Remuneration Committee;
- (c) Corporate Social Responsibility Committee; and
- (d) Stakeholders' Relationship Committee.

Recommendations made by these Committees have been accepted by the Board, which were mandatorily required to be made. The Company Secretary officiates as the Secretary of the Committees.

**(a) AUDIT COMMITTEE**

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Company has constituted an Audit Committee. The Audit Committee met four (4) times during the financial year ended March 31, 2024, i.e. on June 24, 2023, August 29, 2023, November 4, 2023, and March 2, 2024.

The composition of the Audit Committee as on March 31, 2024 and details regarding Attendance of members of the Committee for abovesaid meetings, are given as under:

Name	Director Identification Number	Designation and Category	No of Meetings Attended
Mr. Shanker Dev Choudhry	07094705	Chairperson (Independent Director, Non -Executive)	3
Ms. Pallavi Saluja	07006557	Member (Woman Independent Director, Non-Executive)	4
Mr. Pankaj Duhan	08093989	Member (Independent Director, Non-Executive)	3
Mr. Sidhartha Bhushan Khurana	00172788	Member (Managing Director, Executive)	4

Invitees/Other Attendees

- Mr. Madhu Bhushan Khurana, Chairman and Managing Director of the Company, acts as permanent invitee to the Audit Committee's meetings.
- Chief Financial Officer is a permanent attendee to the Audit Committee's meetings.
- The representatives of Statutory Auditors and Internal Auditors, and other executives, as desired by the Committee, attended the meetings as auditors or invitees.

All members of the Committee are financially literate and have accounting or related financial management expertise.

There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

(b) NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee ('NRC') in accordance with the provisions of Section 178 of the Act, 2013. The Nomination and Remuneration Committee met two (2) times during the financial year 2023-24 i.e. on August 29, 2023 and March 2, 2024.

The composition of the Nomination and Remuneration Committee as on March 31, 2024 and the details regarding Attendance of members of the Committee for abovesaid meetings, are given as under:

Name	Director Identification Number	Designation and Category	No of Meetings Attended
Ms. Pallavi Saluja	07006557	Chairperson (Woman Independent Director, Non-Executive)	2
Mr. Shanker Dev Choudhry	07094705	Member (Independent Director, Non-Executive)	2
Mr. Pankaj Duhan	08093989	Member (Independent Director, Non-Executive)	1
Mr. Madhu Bhushan Khurana	00172770	Member (Chairman and Managing Director, Executive)	2

Invitees/Other Attendees

Mr. Sidhartha Bhushan Khurana, Managing Director acts as permanent invitee and Mr. Manish Mehta, Chief Financial Officer, of the Company, acts as permanent attendee to the Committee.

Procedure for Nomination and Appointment of Director:

The NRC is responsible for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The NRC is also responsible for reviewing the profile of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board.

Criteria for determining Qualifications, Positive Attributes and Independence of a Director:

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Director(s) in terms of provisions of Section 178(3) of the Act.

Independence: In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets the criteria for Independence as laid down in the Section 149 of the Act and Rules framed thereunder.

Qualifications: A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment

of a Director, the NRC considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

Positive Attributes: In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgement. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

The appointment and remuneration paid to Directors and KMPs is as per the Nomination and Remuneration Policy of the Company.

(c) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has duly constituted Corporate Social Responsibility ("CSR") Committee in accordance with the provisions of Section 135 of the Companies Act, 2013. The roles and responsibilities of CSR Committee includes formulation and recommendation of corporate social responsibility policy to the Board, recommending the amount to be incurred for CSR activities, instituting a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company, and monitoring of the CSR policy from time to time.

The Corporate Social Responsibility Committee met four (4) times during the financial year ended March 31, 2024, i.e. on June 24, 2023, August 29, 2023, November 4, 2023, and March 2, 2024.

The composition of the Corporate Social Responsibility Committee as on March 31, 2024 and details regarding Attendance of members of the Committee for abovesaid meetings, are given as under:

Name	Director Identification Number	Designation and Category	No of Meetings Attended
Mr. Madhu Bhushan Khurana	00172770	Chairperson (Chairman and Managing Director, Executive)	4
Mr. Sidhartha Bhushan Khurana	00172788	Member (Managing Director, Executive)	4
Ms. Pallavi Saluja	07006557	Member (Woman Independent Director, Non-Executive)	4

Mr. Manish Mehta, Chief Financial Officer, of the Company, acts as permanent attendee to the Committee.

(d) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has a duly constituted Stakeholders' Relationship Committee ("SRC"). The SRC shall, inter-alia, specifically look into the redressal of all security holders' and investors' complaints and shall have the powers to seek all information from, and inspect records of, the Company relating to security holder and investor complaints. The SRC oversees various activities that lead to improve and effective

shareholder services, taken measures for reducing the timelines for redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialization of shares, IEPF matters and related matters.

The Stakeholders' Relationship Committee met one (1) time during the financial year ended March 31, 2024, i.e. March 2, 2024.



The composition of the Stakeholders' Relationship Committee as on March 31, 2024 and details regarding Attendance of members of the Committee for abovesaid meetings, are given as under:

Name	Director Identification Number	Designation	No of Meetings Attended
Mr. Shanker Dev Choudhry	07094705	Chairperson (Independent Director, Non- Executive)	1
Mr. Madhu Bhushan Khurana	00172770	Member (Chairman and Managing Director, Executive)	1
Mr. Sidhartha Bhushan Khurana	00172788	Member (Managing Director, Executive)	1

Mr. Manish Mehta, Chief Financial Officer, of the Company, acts as permanent attendee to the Committee.

20. AUDITORS

a) STATUTORY AUDITORS

The Statutory Auditors' Reports does not contain any qualifications, reservations, adverse remarks or disclaimers. Notes to accounts as referred in the Auditors Reports are self-explanatory and therefore do not call for any further comments or explanations.

At the 41st Annual General Meeting, held on September 29, 2023, the members of the Company, approved the reappointment of M/s. Rajan Chhabra & Co, Chartered Accountants (FRN.009520N) as the Statutory Auditors of the Company to hold office till conclusion of the 46th AGM to be held in the year 2028, for second term of five consecutive years.

b) SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Manish K and Associates, Practicing Company Secretaries (Firm Registration No. P2016DE087200) has been appointed to conduct the Secretarial Audit of the Company for Financial Year 2023-24. The Secretarial Audit Report for Financial Year 2023-24 is annexed as **Annexure 2** to this Report. The report of Secretarial Auditor is self-explanatory and do not require further explanation or comments.

However, the said Secretarial Audit Report does not contain any qualification, reservations, adverse remarks and disclaimer.

c) INTERNAL AUDITORS

Pursuant to section 138 of Companies Act, 2013, the Company has appointed Deloitte Touche Tohmatsu India LLP as Internal Auditor for the Financial Year 2023-24.

They have performed the duties of Internal Auditors of the Company, satisfactorily, and their report for FY 24 was placed before the Audit Committee and Board of Directors.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12)

of the Act, details of which are required to be mentioned in this Report in compliance of Sec 134(3)(ca) of the Act.

21. DISCLOSURE ON INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

Company has an adequate Internal Financial Control (IFC) system which ensures that the transactions are authorized, recorded, and reported correctly. The Company's IFC system has been designed to provide reasonable assurance, regarding the following:

- Effectiveness and efficiency of Operations;
- Adequacy of safeguards for assets;
- Prevention and detection of frauds and errors;
- Accuracy and completeness of the accounting standards (Ind AS); and
- Timely preparation of financial statements.

The controlled environment comprises a mix of preventive and detective controls which are manual, semi-automated and automated in nature. The Company has followed principles such as segregated duties, authorisation, reconciliation, physical inventory, periodic review, etc. while designing the internal control framework. Company has also an effective internal control and risk- mitigation system, which are constantly assessed and strengthened with new/ revised standard operating procedures, on required basis. The Company's internal control system is commensurate with its size, scale, and complexities of its operations.

The objective is to give senior management and the Audit Committee, an independent and reasonable assurance on the adequacy and effectiveness of the Company's risk management, control and governance processes. This is achieved through an outsourced internal audit model wherein audit reviews are performed through independent Audit firm, the Deloitte. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee reviews the annual internal audit report and ensures adherence to the same. This helps to facilitate timely detection of any irregularities

and early remediation. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the Internal Control systems and suggests improvement(s) to strengthen the same. The Company has a robust Management information System which is an integral part of the control mechanism.

Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. The Audit Committee was apprised with the internal audit findings and corrective actions taken.

22. RELATED PARTY TRANSACTIONS

All Related Parties Transactions (RPTs) are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained on periodic basis for the transactions which are planned/ repetitive in nature. A statement giving details of all RPTs entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. All the RPTs under Ind AS-24 have been disclosed in notes to the Financial Statements forming part of this report.

The RPTs entered during the year under review, were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act read with the rules framed thereunder. Further, the Company did not enter any contracts or arrangements with related parties in terms of Section 188(1) of the Act which are the material related party transactions, during the year under review.

Disclosure in **Form AOC-2** in terms of Section 134 of the Companies Act, 2013 forms part of the report and attached as **Annexure 3**.

23. CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time and in accordance with the CSR Policy and the CSR Annual Action Plan, during the Financial Year 2023-24, the Company has spent two percent of the average net profits of your Company during the three preceding financial years. Your Company undertook various CSR activities in collaboration only with those reliable NGOs which satisfies the criteria stated under the Companies Act, 2013 and rules made thereunder.

Your Company has also formulated a CSR Policy, which is available on the website of the Company at <https://www.studds.com/investor-relations>. Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time ("CSR Rules") is annexed as **Annexure 4** and forms an integral part of this Report.

24. LISTING OF SHARES

The Company's Equity Shares are presently not listed at any stock exchange(s).

25. RISK MANAGEMENT POLICY

Your Company's Risk Management Policy is backed by strong internal control systems. The risk management framework consists of policies and procedures framed at management level and strictly adhered to and monitored at all levels. Your Company has a well-defined risk management framework in place to ensure appropriate identification, measurement, mitigation and monitoring of business risks and challenges across the Company. The framework also defines the risk management approach across the enterprise at various levels. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for change in the nature and extent of the major risks identified, since the last assessment. It also provides control measures for risk and future action plans. The Company's success as an organization largely depends on its ability to identify opportunities and leverage them while mitigating the risks that arise while conducting its business.

26. DISCLOSURES

(a) EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return is displayed on the Company's website at <https://www.studds.com/investor-relations>.

(b) PARTICULARS OF LOAN(S), GUARANTEE(S) OR INVESTMENT(S)

In accordance with the provisions of Section 134(3) (g) of the Companies Act, 2013, details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 for the year under review, are given in the notes to the financial statements.

(c) NOMINATION AND REMUNERATION POLICY

Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors and Key Managerial Personnel and their remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters thereof.

The Nomination and Remuneration policies are available on the website of the company at <https://www.studds.com/investor-relations>.

(d) VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics' policy. The vigil mechanism provides



multiple channels for reporting concerns including an option for escalations to the Chairperson of the Audit Committee of the Company. The Company has a vigil mechanism named Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud, abuse of position, mismanagement, etc. However, no such instance was reported during the year under review. The policy has also been displayed on the website of the Company at <https://www.studds.com/investor-relations>.

(e) COST RECORDS

Pursuant to the provisions of Section 148(1) of the Companies Act, 2013 and Rules made thereunder, the Company is not required to make and maintain Cost Records, as specified by Central Government under the provisions of this Section. Accordingly, the Company has not made and maintained such accounts and records.

(f) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention of Sexual Harassment and Redressal System in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,

2013 (POSH). All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has a robust mechanism in place to redress the complaints reported under POSH. The Company has complied with provisions relating to the constitution of Internal Committee under POSH. The Internal Committee (IC) comprises of internal members and external member who has extensive experience in the field. Internal Committee (IC) is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. In 2023-24, no case of sexual harassment was reported. Further, during the financial year 2023-24, initiatives were undertaken to demonstrate the Company's zero tolerance philosophy against discrimination and sexual harassment, which includes organizing workshops, knowledge sessions for the employees to enhance awareness and knowledge on the matter, creation of comprehensive and easy to understand communication's material which are also made easily accessible.

(g) COMPLIANCE OF SECRETARIAL STANDARDS

The Company is regularly complying with the applicable provisions of the Secretarial Standard-1 on 'Meetings of the Board of Directors' and Secretarial Standard-2 on 'General Meetings' prescribed under the Section 118(10) of the Companies Act, 2013 as issued by 'The Institute of Company Secretaries of India'.

(h) DISTRIBUTION OF EQUITY SHARE CAPITAL AS ON MARCH 31, 2024.

S.NO.	SHAREHOLDING OF SHARES		SHAREHOLDER	TOTAL SHARES
1	1	to 500	4254	365085
2	501	to 1000	167	137345
3	1001	to 2000	91	149411
4	2001	to 3000	30	75551
5	3001	to 4000	30	107689
6	4001	to 5000	16	78400
7	5001	to 10000	65	524215
8	10001	to *****	86	18239004
Total			4739	19676700

S. No	Particulars	No. of Shares
1	DEMATED Shares	19516300
2	Physical Shares	160400
Total		19676700

(i) DISCLOSURE ON REMUNERATION TO EMPLOYEES EXCEEDING SPECIFIED LIMITS

The particulars of the employees who are in receipt of remuneration in excess of the limit prescribed under Rule 5(2) in accordance with Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed herewith as **Annexure 5**, forms part of this report.

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read along with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure 6** and forms part of this Report.

28. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report, is presented in a separate Section and forming part of the Annual Report.

29. GENERAL

(a) During the period under review:

1. No Executive Director(s) of the Company, received any remuneration or commission from its subsidiary.
2. No applications were made or any proceedings were pending against the Company under the Insolvency and Bankruptcy Code, 2016.
3. There is no instance of onetime settlement with any Bank or Financial Institution.
4. Industrial relations remained harmonious at all our offices and establishments.

(b) Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or event occurred on these matters during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

For and on behalf of the Board
Studds Accessories Limited

Madhu Bhushan Khurana
 Chairman and Managing Director
 DIN: 00172770

Faridabad, August 24, 2024

30. ACKNOWLEDGEMENT

Trade Relations

Your Company maintains healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and the unstinting efforts of the employees have enabled your Company to remain at the forefront of the industry.

Your Company continued to receive co-operation and support from the distributors, retailers, stockist, suppliers and others associated with your Company as its trading and value chain partners. Your Directors wish to place on record their appreciation for the same and your Company will continue in its endeavour to build and nurture strong links with stakeholders, based on mutuality, fairness, respect and co-operation with each other and consistent with consumer interest.

Appreciation

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas of its operations as well as the efficient utilization of your Company's resources for sustainable and profitable growth.

Your Directors hereby wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible. Your Directors look forward to the long-term future with their confidence in its management.

Sidhartha Bhushan Khurana
 Managing Director
 DIN: 00172788



Annexure 1 to the Board's Report

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures as on March 31, 2024.

Part "A": Subsidiary

1	Name of the Subsidiary	SMK EUROPE UNIPESOAAL LDA
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2023 to September 5, 2023
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year ending on March 31, 2024, in the case of foreign subsidiary.	NA*
4	Share Capital	NIL
5	Reserve and Surplus	NIL
6	Total Assets (including investments)	NIL
7	Total Liabilities (other than equity)	NIL
8	Investments	NIL
9	Turnover (excluding other income)	NIL
10	Profit/(Loss) before taxation	NIL
11	Provision for taxation	NIL
12	Profit after taxation	NIL
13	Proposed Dividend	NIL
14	% of Shareholding	NIL

*The company was liquidated during the year under review, on 19th September, 2023.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	Name of Associates/Joint Ventures	
1	Latest Audited Balance Sheet Date	
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Joint Ventures/Associates held by the company on the year end:	
	No.	
	Amount of Investment in Joint Venture/ Associates	
	Extend of Holding in %	
4	Description of how there is significant influence	
5	Reason why the joint venture/associate is not consolidated	
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	
7	Profit/(Loss) for the year	
	(i) Considered in Consolidation	
	(ii) Not Considered in Consolidation	

During the period under review the Company has no Associate and Joint Venture Company.

For and on behalf of the Board
Studds Accessories Limited

Madhu Bhushan Khurana
Chairman and Managing Director
DIN: 00172770

Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Pallavi Saluja
Independent Director
DIN: 07006557

Faridabad, August 24, 2024

Manish Mehta
Chief Financial Officer

Asha Mittal
Company Secretary

Annexure 2 to the Board's Report

FORM NO. MR - 3

Secretarial Audit Report

For the Financial Year ended on 31st March, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Studds Accessories Limited,
Plot No. 918, Sector 68, IMT,
Faridabad 121004, Haryana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Studds Accessories Limited, having CIN: U25208HR1983PLC015135** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024, and made available to me, according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings (no event took place during the relevant financial year);
- iv. The Company is engaged in the business of manufacturing, sales, distribution, trading and marketing in India and abroad various types of Helmets, gadgets and accessories, spare parts and component for Two Wheelers and automobiles made of Plastic, Fiber-glass, PVC and such other materials. As informed by the Management, Companies has complied with the standards and laws applicable to Company.

For the compliances of Labor Laws & other General Laws, our examination and reporting is limited based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labor Laws.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India, with which the Company has generally complied with. Further, the Company was regular in filing of e-forms with the Registrar of Companies, except e-form PAS-6 which was filled with the additional fee.

We have checked the compliance management system of the Company to obtain reasonable assurance about the adequacy of systems in place to ensure compliance of specifically applicable laws and this verification was done on test basis. In our opinion and to the best of our information and according to explanations given to us, we believe that the compliance management system of the Company seems adequate to ensure compliance of laws specifically applicable to the Company.

We further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records, books of accounts and the back-up of the books of accounts and other books and papers of the Company which are maintained in the electronic formats and their physical servers located in India are maintained by the management of the Company and have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors that took place during the period under review. However, during the year Mr. Hitesh Wadhwa resigned from the post of the



Company Secretary, effective from November 11, 2023 and Ms. Asha Mittal has been appointed as Company secretary, effective from March 02, 2024.

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We report further that, during the audit period, there is no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

For Manish K & Associates

Company Secretaries

Firm Registration number P2016DE087200

Peer Review Certificate No. 2853/2022

CS Sonal Khurana

Partner

ACS: 48922; C.P No.: 20473

UDIN: A048922F001037173

Place: New Delhi

Date: August 24, 2024

This report is to be read with **Annexure- A**, which forms an integral part of this report.

Annexure A

To,
The Members,
Studds Accessories Limited,

My report is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and their backup server in India.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Manish K & Associates

Company Secretaries
Firm Registration number P2016DE087200
Peer Review Certificate No. 2853/2022

CS Sonal Khurana

Partner
ACS: 48922; C.P No.: 20473
UDIN: A048922F001037173

Place: New Delhi
Date: August 24, 2024



Annexure 3 to the Board's Report

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S. No.	Name of Associates/Joint Ventures
(a)	Name (s) of the related party & nature of relationship
(b)	Nature of contracts/arrangements/transactions
(c)	Duration of the contracts/arrangements/transaction
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any
(e)	Justification for entering into such contracts or arrangements or transactions
(f)	Date of approval by the Board
(g)	Amount paid as advances, if any
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2024, which were not at arm's length basis

2. Details of contracts or arrangements or transactions at Arm's length basis*

S. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship.	Bikerz US Inc., relative of Mr. Madhu Bhushan Khurana and Mr. Sidhartha Bhushan Khurana, is having control over Bikerz Inc.
(b)	Nature of contracts/arrangements/transactions	(a) Distribution Agreement, (b) Marketing Support Service Agreement.
(c)	Duration of the contracts/arrangements/transactions	Effective unless and until terminated by either party with three months prior written notice.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Bikerz US Inc., was appointed for providing distribution and marketing support activities to the Company in United States of America (USA).
(e)	Date(s) of approval by the Board, if any	December 18, 2021
(f)	Amount paid as advances, if any	Nil

*Note: Details of related party transactions as per applicable accounting standards are given in Note No. 38 to the Standalone Financial Statements forming part of this report.

For and on behalf of the Board
Studds Accessories Limited

Madhu Bhushan Khurana
Chairman and Managing Director
DIN: 00172770

Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Faridabad, August 24, 2024

Annexure 4 to the Board's Report

Annual Report On Corporate Social Responsibility ('CSR') Activities For Financial Year Ending On March 31, 2024

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

As an integral part of our commitment to good corporate citizenship, the Company believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, we shall always continue to respect the interests of and be responsive to our key stakeholders - the communities, especially those from socially and economically backward groups, the underprivileged and marginalized. Studds pledges itself to care for and serve the community by designing a sustainable development model that leads to socio-economic development and ecological development in its area of influence.

The Company has formulated and from time to time revised its CSR Policy in line with the amendments in Section 135 of the Companies Act, 2013 and rules made thereunder with the vision to and in order to leverage the demographic dividend of our country.

CSR Projects: All the CSR projects are undertaken under below major thrust areas, these are namely;

1. Arogya (Health) & Swachhta (Sanitation): Promotion of healthcare including preventive health care and sanitation.
2. Shiksha (Education): Promotion of education including special education and employment enhancing vocation skills, especially amongst children, women, elderly, and differently abled and livelihood enhancement projects.
3. Paryavaran (Environment): Ensuring environmental sustainability, conservation of natural resources and maintaining quality of soil, air, and water etc., maintaining parks and other facilities for the wellbeing of society and environment at large.

Your Company's commitment to the society is sincere and longstanding. However, the CSR Policy is available on the Company's website and the web-link for the same is provided in this Report.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Madhu Bhushan Khurana	Chairperson (Chairman and Managing Director, Executive)	4	4
2	Mr. Sidhartha Bhushan Khurana	Member (Managing Director, Executive)	4	4
3	Ms. Pallavi Saluja	Member (Women Independent Director, Non-Executive)	4	4

3. PROVIDE THE WEB-LINK (S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

<https://www.studds.com/csr-activities>

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE.

Impact assessment is not applicable for financial year 2023-24.

**5. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):** Rs. 617.21 Million.

(a)	Two percent of average net profit of the Company as per section 135(5).	: Rs. 12.34 Million
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	: NIL
(c)	Amount required to be set off for the financial year, if any.	: NIL
(d)	Total CSR obligation for the financial year (a+b- c)	: Rs. 12.34 Million

6. (a) Details of CSR amount spent against ongoing projects of the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	Location of the Project	Project Duration	Amount allocated for the project (in Rs.)	Amount Spent in the current financial year (in Rs.)	Amount transferred to unspent CSR account for the project as per Section 135((6) (in Rs.)	Mode of implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
				State	District					CSR Regn. No.
										-----Not Applicable-----

6. (b) Details of CSR amount spent against other than ongoing project for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local Area (Yes/ No)	Location of the Project	Amount Spent for the Project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
				State	District		Name CSR Regn. No.
1	Project Arogya	(i)	Yes	Haryana	Faridabad	12,60,000	No Tender Hearts Education Society CSR00013259
2	Project Paryavaran	(iv)	Yes	Haryana	Faridabad	3,57,240	No Tender Hearts Education Society CSR00013259
3	Project Shiksha	(ii)	Yes	Haryana	Faridabad	25,39,862	No Tender Hearts Education Society CSR00013259
4	Project Shiksha	(ii)	Yes	Haryana	Faridabad	2,00,000	No Harmonious Children Rehabilitation Association CSR00011410
5	Project Shiksha	(ii)	Yes	Haryana	Faridabad	75,00,000	No Dr O. P. Bhalla Foundation CSR00004671
6	Project Swachhta	(i)	Yes	Haryana	Faridabad	2,40,000	No Tender Hearts Education Society CSR00013259
7	Contribution to the Prime Minister's National Relief Fund	(viii)	NA	NA	NA	2,52,898	Yes NA NA
						1,23,50,000	

6. (c) Amount spent in Administrative Overheads: NIL**6. (d) Amount spent on Impact Assessment, if applicable:** Not Applicable**6. (e) Total amount spent for the Financial Year (a+b+c+d):** Rs. 12.35 Million

6.(f) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (Rs. in Million)	Amount Unspent (Rs. in Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 12.35 Million	NIL	Not Applicable		Not Applicable	

6.(g) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs. in Million)
(i)	Two percent of average net profit of the Company as per section 135(5) of the Act.	12.34
(ii)	Total amount spent for the Financial Year	12.35
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.01
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any.	NIL
(v)	Amount available for set off in succeeding financial year [(iii) - (iv)].	0.01

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR account under section 135(6) (Rs. in Million)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (Rs. in Million)	Amount spent in the reporting financial year (Rs. in Million)	Amount transferred to a fund specified under Schedule VII as per Section 135(5), if any			Amount remaining to be spent in succeeding financial year(s) (Rs. in Million)	Deficiency, if any
					Name of the Fund	Amount (Rs. in Million)	Date of Transfer		
1.	2020-21	Not Applicable	Not Applicable	Not Applicable	Prime Minister National Relief Fund	Rs. 14 Million	September 30, 2021	NIL	NIL

8. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR amount spent in the financial year (asset-wise details):

(a)	Short particulars of the property or asset(s) [including complete address and location of the property]	:
(b)	Pincode of the property or asset(s)	:
(c)	Date of creation or acquisition of the capital asset(s).	: Not Applicable
(d)	Amount of CSR spent for creation or acquisition of capital asset.	:
(e)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their CSR Registration No., if applicable, Name and Registered address etc.	:

9. Specify the reason(s) if the Company has failed to spend two percent of the average net profit as per Section 135(5):

Not applicable. The Company has spent and utilised the entire CSR fund during the financial year under review.

For and on behalf of the Board
Studds Accessories Limited

Madhu Bhushan Khurana
Chairman and Managing Director
Chairman of CSR Committee
DIN: 00172770

Faridabad, August 24, 2024

Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788



Annexure 5 to the Board's Report

Information Pursuant to Section 197 of The Companies Act, 2013 and Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 as on March 31, 2024

(a) Top 10 employees in terms of salary drawn/paid during the financial year 2023-24

Sl. No.	Name of the Employees**	Designation and Nature of employment (Contractual or Otherwise)	Remuneration Drawn/ Paid/ received (Rs. in Million)*	Educational Qualifications	Date of Joining	Exp erience (Yrs.)	Age (Yrs.)	Immediate Previous Employment	% of Equity shares of the Company held	If relative of any Director or Manager
1	Mr. Varun Chopra	Vice President-IT (Otherwise: on roll employee)	6.37	M.S. and B.TECH.	August 09, 2021	19	42	Anand Group	NIL	N. A
2	Mrs. Hemlata Sagar	General Manager (Sales & Marketing) (Otherwise: on roll employee)	6.13	Bachelor of Engineering in Industrial and Production, PGDM-IIM-Bangalore	December 01, 2021	11	34	CK Birla Group	NIL	N.A
3	Mr. Manish Mehta	Chief Financial Officer (Otherwise: on roll employee)	4.68	Chartered Accountant	August 10, 2018	16	53	AC Mehta & Co.	NIL	N. A
4	Mr. Sanmeet Hundal	Deputy General Manager-Electronics (Otherwise: on roll employee)	4.04	BE (ELECTRONICS)	August 10, 2021	18	47	Century Led Limited	NIL	N. A
5	Mr. Siddharth Srivastava	Deputy General Manager (Otherwise: on roll employee)	3.77	Post Graduate Diploma in Mould Design Technology	August 16, 2016	22	43	Subros Limited	NIL	N. A
6	Mrs. Chand Khurana	Vice President (Otherwise: on roll employee)	3.61	Post Graduate	March 01, 2018	39	74	-	8.35%	Spouse of Mr. Madhu Bhushan Khurana and Mother of Mr. Sidhartha Bhushan Khurana
7	Mr. Satish Dev Sanduja	V.P – Operations (Otherwise: on roll employee)	3.48	B.Tech	27-01-2023	30	66	Aerostar Helmets and accessories	NIL	N. A
8	Mr. Regi Bhaskar Pillai	Plant Head (Otherwise: on roll employee)	3.32	MBA in Operation	10-01-2018	21	52	Sekisuidlym	NIL	N. A
9	Mr. Harpreet Singh#	Plant Head (Otherwise: on roll employee)	3.12	B.Tech Electrical	10-06-2022	18	42	Aerostar Helmets and accessories	NIL	N. A
10	Mr. Yogesh Kumar	AGM (Sales) (Otherwise: on roll employee)	3.26	B.S.C & MBA	10-05-2021	17	39	Samsung India Pvt. Ltd.	NIL	N. A

Sl. No.	Name of the Employees**	Designation and Nature of employment (Contractual or Otherwise)	Remuneration Drawn/ Paid/ received (Rs. in Million)*	Educational Qualifications	Date of Joining	Exp erience (Yrs.)	Age (Yrs.)	Immediate Previous Employment	% of Equity shares of the Company held	If relative of any Director or Manager
11	Mr. Ram Vikram Kumar#	Assistant Vice President (Otherwise: on roll employee)	2.55	Bachelor of Engineering in ElectronicsMaster in Mechanical Engineering	July 04, 2016	14	37	Mahindra Defence Land Systems India Limited	NIL	N. A
12	Mr. Bharat Goyal#	Deputy General Manager- Finance (Otherwise: on roll employee)	2.90	Chartered Accountant	March 17, 2021	15	39	Daikin Air Conditioning Pvt. Ltd	NIL	N. A
13	Mr. Hitesh Wadhwa#	Company Secretary (Otherwise: on roll employee)	2.07	Fellow member of ICSI, LLB	August 5, 2021	16	45	Vindhya Telcelinks Limited	NIL	N. A
14	Mr. Anurag Sharma#	Creative Head-Design (Otherwise: on roll employee)	0.39	B. Com. and Diploma (Multimedia)	November 14, 2019	23	46	NETWORK 18	NIL	N. A
15	Mr. Jaideep Singh Ahluwalia	Sr. Key Account Manager (Otherwise: on roll employee)	2.84	MBA	01-10-2019	13	38	Tata Motors Ltd.	NIL	N. A

#Employed for part of year due to resignation, during the year.

* Remuneration comprises basic salary, allowances, perquisites, provident fund contribution, performance linked incentives.

**In above list not considered and not included the Executive Directors.

(b) Employees drawing salary of Rs. 1,02,00,000/- or above per annum

Sl. No.	Name of the Employees	Designation and Nature of employment (Contractual or Otherwise)	Remuneration Drawn/ Paid/ received (Rs. in Million)*	Educational Qualifications	Date of Joining	Exp (Yrs.)	Age (Yrs.)	Previous Employment	% of Equity shares of the Company	Relative of any Director or Manager
1	Mr. Madhu Bhushan Khurana	Chairman and Managing Director (Otherwise: Executive Director)	34.42	Bachelor Degree in Aeronautical Engineering	February 03, 1983	41 Years	76 Years	-	55.23%	Father of Mr. Sidhartha Bhushan Khurana
2	Mr. Sidhartha Bhushan Khurana	Managing Director (Otherwise: Executive Director)	34.46	Bachelor Degree in Aeronautical Engineering	August 28, 1998	26 Years	47 Years	-	14.46%	Son of Mr. Madhu Bhushan Khurana

* Remuneration comprises basic salary, allowances, perquisites, provident fund contribution and commission.

(c) No other employees have received a remuneration Rs. 8,50,000/- per month in any part of the year.

(d) The Company has no employee (whether employed throughout FY 24 or part thereof) who was in receipt of remuneration which in the aggregate, is in excess of that drawn by the Executive Director(s) and holds by himself or along with his spouse and dependent children, not less than two (2) percent of the equity shares of the Company.

For and on behalf of the Board

Studds Accessories Limited

Madhu Bhushan Khurana

Chairman and Managing Director

DIN: 00172770

Sidhartha Bhushan Khurana

Managing Director

DIN: 00172788

Faridabad, August 24, 2024





Annexure 6 to the Board's Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

(i) The steps taken or impact on conservation of energy:

Conservation of Energy is an important aspect for the Company and it is a cornerstone for positive impact on environment and sustainable growth. The Company continued to improve across all facets of energy management which includes generation, distribution and consumption. All manufacturing units of the Company have taken various initiatives for saving energy consumption. Teams of all the units continuously monitor energy consumption and plan and execute various energy conservation schemes.

The Company is continuously undertaking various initiatives towards green energy thereby contributing towards clean environment. The Company continuously encourages its employees and business partners to take adequate efforts and initiatives on energy conservations.

Further, best practices and benchmarking parameters are implemented in all units by the Company to realign the existing power consuming sections and to remove bottleneck and to ensure the uninterrupted and quality power supply at the minimum cost. Some of the energy conservation measures adopted across the manufacturing units were:

INDUCE ENERGY CONSERVATION

- Use of energy efficient LED lights across all manufacturing units.
- Induction motors of injection molding machines have been replaced with Energy Saving Servo Motors System, by this way we have saved energy by 20 to 25% and shrunk the carbon footprint.
- Installed 90 KW Variable Frequency Drives (VFD's) in the Air Compressors, this has resulted in reduction of energy consumption by 18% in the Air Compressors.
- VFD's have been used in pumps and blowers of Paintshops for reduction of power consumption & smooth operations.
- We have installed solar energy plant of capacity 753 KWp thereby generating and using green energy.
- Energy efficient centralized HVAC system for corporate office.

CONSERVATION OF RESOURCES

- Improving efficiency on critical resources like water and energy by doing water recoveries through rain water harvesting, recycling of treated water etc.
- Optimizing energy consumption through various defined modes including above.
- Optimizing resource consumption and minimizing wastages by automations and controls.
- The use of solar energy replaces or reduces the use of other energy sources that have a greater adverse impact on the environment.

ASSESSING PRE-EXISTING SYSTEMS

- Constant monitoring of energy consumption and further requisite follow-up.
- In off-hours, lights in work premises is kept off.

These measures have also led to power saving, reduced maintenance time and cost, improved hygienic conditions and consistency in quality and improved productivity. The Company is making all efforts to put stress on energy conservation by taking measures to ensure that plant be kept continuous running and idle time is reduced to bare minimum.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- The Company has installed solar energy plant of capacity 753 KWp thereby generating and using green energy towards utilizing environment friendly alternate sources/renewable sources of energy.
- Company is taking steps towards using Natural Gas as an alternate source of renewable energy by replacing oil based energy (Diesel) with natural gas (PNG), for example;
 - All Diesel fired Ovens of Paintshops have been replaced with PNG, with this we are having energy conservation and reduction in the CO₂ generation.
 - All Diesel Generators (DG) sets' fuel kit have been converted to dual fuel for use of Natural Gas.

(iii) The capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORPTION:

Technology absorption across the various function and its processes are the Key priority for the Company. The Company promotes adoption of latest Research and technology development which helps to create superior value by harnessing internal Research and Development skills and competencies and creates innovations in emerging technology domains related to the Company's product. The Company believes in leveraging technology to transform every dimension of its business. Company is;

- Using laser based Automatic PP tape cutting machine with servo controlled system.
- Using Robotic PC sheet cutting system for Bicycle Helmet.
- Introducing Robotic Painting Concept.

(i) The efforts made towards technology absorption:

The Company endeavors to avail the latest technology trends and practices in its operations, if needed.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: None

(iii) Technology imported during the last three years reckoned from the beginning of the financial year: None

(iv) Expenditure incurred on research and development: Rs. 1.7 million*

*Cost for purchase of equipment and a machinery.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO: (RS. IN MILLION)

Foreign Exchange earned (in terms of actual inflows): Rs. 699.85 million

Foreign Exchange outgo (in terms of actual outflows): Rs. 199.57 million

Financial Statement



Independent Auditor's Report

To
The Members of
Studds Accessories Limited

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of **Studds Accessories Limited** ("the Company"), which comprise the balance sheet as at 31 March 2024, the statement of profit and loss (including Other Comprehensive Income), the cash flow statement and the statement of changes in Equity for the year ended that date, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit/loss (including comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Information other than the Standalone Financial Statements and auditors' report thereon

4. The Company's Board of Directors is responsible for the preparation and presentation of the other information. The Other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the Board Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this Board Report, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Standalone 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 Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



6. In preparing the Standalone 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.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.
8. 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 Standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
10. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143 (3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - The balance sheet, the statement of profit and loss including other comprehensive income, the cash flow statement and statement of changes in equity dealt with by this Report are in agreement with the books of accounts;
 - In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act ;

- e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g. With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - (i) The company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Additional Notes to the Standalone Financial Statements 39(ii) Contingent Liability;
 - (ii) The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- i. (i) The Management has represented that to the best of its knowledge and belief, as disclosed in the notes of accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any person(s) or entity(ies) including foreign entities (intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The Management has represented that to the best of its knowledge and belief, as disclosed in the notes of accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (" Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused to believe that the representations as provided under sub clause (a) and (b) contain any material misstatement.
- j. The dividend declared and paid during the year by the company is in compliance with provisions of section 123 of the companies Act, 2013.
- k. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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

For Rajan Chhabra & co
Chartered Accountants
FRN: 009520N

CA Rajan Chhabra
Partner
M.No: 088276

Faridabad, June 22, 2024



Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the Ind AS Standalone Financial Statements for the year ended 31 March 2024, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) The Property, Plant and Equipment are physically verified by the Management over a period of every three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the programme physical verification of Property Plant & Equipment was carried out during the year. No material description were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) The company has not revalued its Property, Plant & Equipment (Including Right of Use Assets) during the year. Accordingly, the reporting under this clause is not applicable.
- (e) According to information and explanation furnished to us, no proceedings have been initiated or are pending against the Company as at 31st March 2024 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) Physical verification of inventory was conducted by the management at reasonable interval during the year. In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.

In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory and discrepancies noticed on physical verification as compared to the books of accounts were not 10% or more in aggregate

of each category of inventory. The discrepancies noticed on physical verification by the Management have been properly adjusted in books of accounts.

- (b) According to information and explanation provide to us, the company has been sanctioned working capital limits in excess of Rs. 5 Crores. According to the information and explanation provided to us, no quarterly statement's pertaining to working capital limits have been filed with the bank.
- (iii) According to the information and explanation given to us, the Company has not granted loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, guarantees and security with respect to the provisions of section 185 and 186 of Companies act 2013.
- (v) The Company has not accepted any deposits from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act, for any of the business activities rendered by the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us. The particulars of statutory dues which have not been deposited on accounts of a dispute are as follows:

Name of statute	Name of the disputed dues	Amount (Rs. In Millions)	Period to which the amount relates	Forum where disputes are pending
The Finance Act, 1994	Service Tax	3.17	March 2017 to June 2017.	Joint Commissioner, GST Faridabad
GST Act, 2017	GST	2.75	FY 2017-18	GST Authority, Faridabad
GST Act, 2017	GST	2.28	FY 2018-19	GST Authority, Faridabad
Income Tax, Act-1961	Income Tax	4.55	AY 2020-21	Income Tax Department

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix) (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- (d) As per the information and explanations given to us, the audit procedures followed by us and on an overall examination of the financial statements of the Company no funds raised on short term basis have been used for long term purpose by the Company.
- (e) According to the information and explanation given to us and examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of the subsidiaries.
- (f) According to the information and explanations given to us and our verification of the same, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised money by way of initial public offer or further public offer (Including debt instruments) during the year and hence reporting under clause (x) (a) of the order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (Fully or partly or optionally) during the year and hence reporting under clause (x) (b) of the Order is not applicable to the Company.
- (xi) (a) During the course of examination of the books and records of the Company, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly this point is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standard
- (xiv) (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the internal Auditor for the period under audit has been considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly this point is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b), (c) and d of the Order are not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.



(xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly this point is not applicable.

(xix) On the basis of financial ratios, ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of balance sheet and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharge by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to Companies Act or special account in compliance with the provision of sub section (6) of section 135 of the Act. Accordingly reporting under this clause of the Order is not applicable.

(xxi) The reporting under clause (xxi) of the Order is not applicable to the standalone financial statements. Accordingly no comment in respect of this clause has been included in this report.

For Rajan Chhabra & co

Chartered Accountants

FRN: 009520N

CA Rajan Chhabra

Partner

M.No: 088276

Faridabad, June 22, 2024

ANNEXURE-B

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

1. We have audited the internal financial controls over financial reporting of **Studds Accessories Limited** ("the Company") as of 31 March, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Rajan Chhabra & co
Chartered Accountants
FRN: 009520N

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over

Faridabad, June 22, 2024

CA Rajan Chhabra
Partner
M.No: 088276

Standalone Balance Sheet

(Rs. in millions)

Particulars	Notes	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
Non-Current Assets			
Property Plant & Equipment	3	3,204.37	3,072.79
Capital Work in Process (Tangible)	4	99.52	102.09
Right of use Assets	5	77.27	9.44
Intangible Assets	6	31.90	32.61
Intangible Assets under development	7	17.53	15.88
Financial Assets	8		
(i) Non-Current Investments		0.12	24.01
(ii) Other Financial Assets		37.00	296.42
Total Non-Current Assets		3,467.71	3,553.24
Current Assets			
Inventories	9	402.19	350.10
Financial Assets			
- Trade Receivables	10	283.64	312.68
- Cash & Cash Equivalents	11	355.72	223.92
- Other Bank Balances	12	229.81	48.43
- Other Financial Assets	13	2.91	1.01
Other Current Assets	14	113.65	120.45
Total Current Assets		1,387.92	1,056.59
Total Assets		4,855.63	4,609.83
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	98.38	98.38
Other Equity	16	3,775.67	3,281.27
Total Equity		3,874.05	3,379.65
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
- Non-Current Borrowings	17	1.99	199.29
- Lease Liabilities		62.59	3.97
- Other Non-Current Financial Liabilities	18	29.72	26.65
Non-Current Provisions	19	45.37	40.99
Deferred Tax Liability (Net)	20	165.61	155.41
Total Non-Current Liabilities		305.28	426.31
Current Liabilities			
Financial Liabilities			
- Current Borrowings	21	4.14	106.49
- Lease Liabilities		18.94	6.20
- Trade Payables	22		
- Total outstanding dues of MSME		86.29	26.26
- Total outstanding dues of creditors other than MSME		219.30	320.47
- Other Current Financial Liabilities	23	161.25	177.96
Other Current Liabilities	24	146.65	126.25
Current Provisions	25	18.87	17.65
Current Tax Liabilities (Net)	26	20.86	22.59
Total Current Liabilities		676.30	803.87
Total Liabilities		981.58	1,230.18
Total Equity and Liabilities		4,855.63	4,609.83

See accompanying notes to financial statements

As per our report of even date attached

For Rajan Chhabra & Co.Chartered Accountants
FRN: 009520N

For and on behalf of Board

STUDDS ACCESSORIES LIMITED**CA Rajan Chhabra**Partner
M No. : 088276**Madhu Bhushan Khurana**Chairman and Managing Director
DIN:00172770**Sidhartha Bhushan Khurana**Managing Director
DIN: 00172788**Pallavi Saluja**Independent Director
DIN: 07006557

Faridabad, June 22, 2024

Manish Mehta

Chief Financial Officer

Asha Mittal

Company Secretary



Statement Of Profit & Loss

(Rs. in millions)

Particulars	Notes	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Revenue from Operations			
Revenue	27	5,290.23	4,991.69
Other Income	28	68.15	73.11
Total Income		5,358.38	5,064.80
EXPENSES			
Cost of Material Consumed		2,429.80	2,589.15
(Increase)/decrease in Inventories of Finished Goods and Work-in-Progress	29	(43.99)	28.35
Employee Benefit Expense	30	708.63	653.48
Finance Cost	31	16.05	28.21
Depreciation and Amortisation Expense	32	190.28	181.01
Other Expenses	33	1,293.86	1,119.08
Total Expenses		4,594.63	4,599.28
Profit before Tax		763.75	465.52
Tax Expense:			
Current Tax		181.24	106.25
Deferred Tax		10.20	21.51
Tax relating to earlier periods		0.04	5.18
Total Tax Expense		191.48	132.94
Profit for the Period		572.27	332.58
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		1.12	(2.63)
Income tax effect		(0.28)	0.66
Total other comprehensive income		0.84	(1.97)
Total Comprehensive Income for the year		573.11	330.61
Earnings per share (face value Rs. 5/-)	34		
- Basic EPS (in Rs.)		29.08	16.90
- Diluted EPS (in Rs.)		29.08	16.90
See accompanying notes to financial statement			

See accompanying notes to financial statements
As per our report of even date attached

For Rajan Chhabra & Co.
Chartered Accountants
FRN: 009520N

For and on behalf of Board
STUDDS ACCESSORIES LIMITED

CA Rajan Chhabra
Partner
M No. : 088276

Madhu Bhushan Khurana
Chairman and Managing Director
DIN:00172770

Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Pallavi Saluja
Independent Director
DIN: 07006557

Faridabad, June 22, 2024

Manish Mehta
Chief Financial Officer

Asha Mittal
Company Secretary

Statement of Cash Flows

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
A Cash Flow from Operating Activities		
Profit before Tax	763.75	465.52
Adjustments for:		
Depreciation and Amortisation Expense	190.28	181.01
Finance Cost	16.05	28.21
Rent Income	(0.32)	(0.32)
Interest Income	(36.69)	(18.92)
Loss on sale of Property, Plant and Equipment & Investment	9.80	2.06
Other Income	(13.61)	(21.78)
Operating Profit before Working Capital changes	929.26	635.78
Working Capital Adjustments:		
Movement in trade & other payables	(21.37)	(99.79)
Movement in trade & other receivables	293.36	(219.41)
Movement in inventories	(52.09)	74.16
Cash Generated from Operations	1,149.16	390.74
Direct Taxes Paid and Taxes earlier years	(183.29)	(109.21)
Net Cash Flow from Operating Activities (A)	965.87	281.53
B Cash Flow from Investing Activities		
Purchases of Property, Plant and Equipment (PPE)	(407.37)	(189.63)
Sale proceeds from sale of PPE	2.91	3.30
Investment in Fixed Deposits/Maturity	(181.38)	154.18
Rent Received	0.32	0.32
Investment in Non Current Investments	23.89	-
Interest Received	36.69	18.92
Other Income Received	13.61	21.78
Net Cash Flow from Investing Activities (B)	(511.33)	8.87
C Cash Flow from Financing Activities		
Proceeds/(Repayment) from Non-Current Borrowings (Net)	(299.65)	(130.99)
Dividend	(78.41)	(59.13)
Addition/Repayment of Lease Liabilities	71.37	(14.73)
Interest Paid	(16.05)	(28.21)
Net Cash Flow from Financing Activities (C)	(322.74)	(233.06)
Net increase in Cash and Cash Equivalents (A+B+C)	131.80	57.34
Cash and Cash Equivalent at the beginning of the year	223.92	166.58
Cash and Cash Equivalent at the end of the year	355.72	223.92



Statement of Cash Flows

Change in Liability arising from financing activities

(Rs. in millions)

Particulars	Borrowing	Lease
As at 31st March, 2023	305.78	10.17
Cash Flows	(299.65)	(17.37)
Non-cash changes	-	88.73
As at 31st March, 2024	6.13	81.53

The above statement should be read together with significant accounting policies and notes to the Standalone financial statements.

- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flow"
- (ii) Cash and Cash Equivalents includes Bank Balances and Cash in hand as per Note No. 11
- (iii) Figures in bracket represents cash outflow

See accompanying notes to financial statements

As per our report of even date attached

For Rajan Chhabra & Co.

Chartered Accountants

FRN: 009520N

For and on behalf of Board

STUDDS ACCESSORIES LIMITED

CA Rajan Chhabra

Partner

M No. : 088276

Madhu Bhushan Khurana

Chairman and Managing Director

DIN:00172770

Sidhartha Bhushan Khurana

Managing Director

DIN: 00172788

Pallavi Saluja

Independent Director

DIN: 07006557

Manish Mehta

Chief Financial Officer

Asha Mittal

Company Secretary

Faridabad, June 22, 2024

Statement of Changes in Equity

(I) EQUITY SHARE CAPITAL

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Equity shares of Rs. 5/- each		
Balance at the begning of the year	98.38	98.38
Movement during the year	-	-
Balance at the end of the year	98.38	98.38

(II) OTHER EQUITY

(Rs. in millions)

Particulars	Reserve & Surplus			Total
	Securities Premium	General Reserves	Retained Earnings	
As at 1st April, 2022	-	82.74	2,926.95	3,009.69
Addition:				
Profit for the year	-	-	332.58	332.58
Other Comprehensive Income (net of tax)	-	-	(1.97)	(1.97)
Less:				
Dividend	-	-	59.03	59.03
As at 31st March, 2023	-	82.74	3,198.53	3,281.27
As at 1st April, 2023	-	82.74	3,198.53	3,281.27
Addition:				
Profit for the year	-	-	572.27	572.27
Other Comprehensive Income (net of tax)	-	-	0.84	0.84
Less:				
Dividend	-	-	78.71	78.71
As at 31st March, 2024	-	82.74	3,692.93	3,775.67

See accompanying notes to financial statements
As per our report of even date attached

For Rajan Chhabra & Co.
Chartered Accountants
FRN: 009520N

For and on behalf of Board
STUDDS ACCESSORIES LIMITED

CA Rajan Chhabra
Partner
M No. : 088276

Madhu Bhushan Khurana
Chairman and Managing Director
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Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Pallavi Saluja
Independent Director
DIN: 07006557

Faridabad, June 22, 2024

Manish Mehta
Chief Financial Officer

Asha Mittal
Company Secretary



Notes to Financial Information

1. Corporate Information

STUDDS ACCESSORIES LIMITED ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at 918, Sector 68, IMT Faridabad, 121004, Haryana.

Studds Accessories Limited is one of the leading manufacturers and exporters of Helmets & two wheeler accessories in India. The product range of the Company includes helmets and two Wheeler Accessories.

2. Basis of Preparation, Measurement and Material Accounting Policies

(a) Basis of Preparation and Measurement

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

The financial statements of the Company for the year ended 31st March, 2024 were approved for issue in accordance with the resolution of the Board of Directors on 22nd June, 2024.

Basis of measurement

These financial statements are prepared under the historical cost convention except for certain class of financial assets/liabilities, share based payments and net liability for defined benefit plans that are measured at fair value.

(b) Key Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations
- Measurement and likelihood of occurrence of provisions and contingencies
- Recognition of deferred tax assets/liabilities.
- Key assumptions used in discounted cash flow projections
- Impairment of Goodwill and Intangible assets
- Indefinite useful life of certain intangible assets
- Measurement of Lease liabilities and Right of Use Asset
- Fair valuation of assets acquired and liabilities assumed as part of business combination

(c) Current versus non-current classification

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

An asset is treated as current when it is:-

- expected to be realized or intended to be sold or consumed in the normal operating cycle, or held primarily for the purpose of trading, or
- held primarily for the purpose of trading, or cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- expected to be realized within twelve months after the reporting period, or A liability is treated as current when it is:-
- cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- held primarily for the purpose of trading, or

Notes to Financial Information

The Company classifies all other Assets as non-current.

A liability is treated as current when it is:-

- expected to be settled in the normal operating cycle, or
- held primarily for the purpose of trading, or
- 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) Revenue Recognition

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a material reversal will not occur.

Our customers have the contractual right to return goods only when authorized by the Company. An estimate is made of goods that will be returned and a liability is recognized for this amount using a best estimate based on accumulated experience.

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognised using the effective interest rate (EIR) method.

(e) Expenditure

Expenses are accounted on accrual basis.

(f) Foreign Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. 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 is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss are also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

(g) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to Statement of Profit and Loss during the reporting period in which they have incurred.

Capital work in progress is stated at Cost less Impairment. 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. Freehold land is not depreciated.



Notes to Financial Information

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 is calculated using straight-line method on a pro-rata basis from the date on which each asset is ready for its intended use to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation is provided on estimated useful lives, as specified in Part "C" of the Schedule II of the Companies Act, 2013.

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

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.

(h) Intangible Assets

Intangible assets with definite useful life acquired separately are measured on initial recognition at Cost. Following initial recognition, intangible assets are carried at Cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows. Residual Value is considered as Nil in the below cases:

Nature of Assets	Estimated Useful Life
Computer software	6 years
Trademarks	Over the useful life of underlying assets
Technical Know-How	Over the useful life of underlying assets

The amortization period and method are reviewed at least at each financial year end. If the expected useful life of the asset is materially different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

(i) Borrowing Costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the period/year. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

(j) Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis:-

Raw Materials are recorded at cost on a weighted average cost formula;

Stores & spares are recorded at cost on a weighted average cost formula.

Finished goods and work-in-process are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

Scrap is valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption

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.

Notes to Financial Information

(k) Provisions and Contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, is not recognized but disclosed in the financial statements.

(l) Employee Benefits

Short-Term Obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised

in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other Long-Term Employee Benefit Obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly

within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-Employment Obligations

Defined Benefit Plans

The Company has defined benefit plans namely gratuity for employees. The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Re-measurement of gains and losses arising from experience, adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner. The Company's contribution is charged to revenue every year. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the Statement of Profit and Loss every year.



Notes to Financial Information

(m) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise of cash at banks and cash in 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.

(n) Income Taxes

Income tax expense comprise of current income tax and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

Current Tax

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit & loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

(o) Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. These short-term and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

(p) 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 units (CGU) fair valueless 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 Company of assets. Where 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 net selling price, recent market transactions are taken into account, if available. 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.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(q) Development expenses

As per Ind AS 38, Intangible assets are recognized only when the future economic benefits which are attributable to the asset can be recognized. Development expenses of which the future economic benefits could be ascertained have been capitalized and the rest has been shown in Profit and Loss Account.

(r) Fair Value Measurement

The Company measures certain financial instruments 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,



Notes to Financial Information

maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is material 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 material to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is material to the fair value measurement is unobservable.

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

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.

(s) 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 and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Financial Assets

Initial recognition and measurement

All financial assets (other than equity investment in subsidiaries) 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. Equity investments in subsidiaries are recognized at cost. 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

All recognised financial assets are subsequently measured in their entirety at either amortized cost using the effective interest method or fair value, depending on the classification of the financial assets.

Classification of Financial Assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortized cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the Company's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is

Notes to Financial Information

designated at fair value through profit or loss under the fair value option:

- Business model test: the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test: the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

Investments in Subsidiaries, Associates and Joint Venture:

Investments in Subsidiaries, Associates and Joint Venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Equity investment in Other Entities at fair value through Profit or loss (FVTPL)

Investment in equity instrument of other than subsidiaries, joint ventures and associates are classified at fair value through profit or loss, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortized cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortized cost criteria or fair value through Other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognizing the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on Remeasurement recognized in profit or loss.

Trade & Other Receivables

Trade receivables are initially recognized at fair value. Subsequently, these assets are held at amortized cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

Impairment of Financial Assets

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- financial assets measured at amortized cost
- financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default event over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of Financial Assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients or
- The rights to receive cash flows from the asset has expired

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are



Notes to Financial Information

initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest rate method.

Classification of Debt or Equity

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

Equity Instruments

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

Trade and Other Payables

Trade and other payables represent liabilities for goods or services provided to the Company prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit Loss.

Derecognition of Financial Liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(t) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(u) Dividend Distribution:

Dividends paid are recognized in the period in which the interim dividends are approved by the Board of Directors of the Company, or in respect of the final dividend when approved by shareholders of the Company.

(v) Recent pronouncements:

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

(w) Previous year figures have been rearranged or regrouped where ever necessary.

Notes to Financial Information

Note No: 3 Property Plant & Equipment

(Rs. in millions)

Description	Freehold Land	Buildings	Plant and Machinery	Furniture and Fittings	Office Appliances	Computers	Vehicles	Total
Cost								
As at 1st April, 2022	1,026.77	919.50	1,440.35	63.50	28.84	21.20	24.45	3,524.61
Additions	32.76	0.37	128.98	1.03	1.00	1.43	12.91	178.48
Re-classification	-	-	-	-	(0.78)	0.85	-	0.07
Disposals/write off	-	-	7.42	-	0.69	0.90	0.82	9.83
As at 31st March, 2023	1,059.53	919.87	1,561.91	64.53	28.37	22.58	36.54	3,693.33
Additions	-	97.02	191.74	1.49	1.07	2.91	7.91	302.14
Re-classification	-	3.30	(3.42)	0.11	-	-	-	(0.01)
Disposals/write off	-	-	31.29	-	0.52	0.75	5.97	38.53
As at 31st March, 2024	1,059.53	1,020.19	1,718.94	66.13	28.92	24.74	38.48	3,956.93
Accumulated Depreciation								
As at 1st April, 2022	-	81.52	351.90	15.56	10.39	6.47	10.76	476.60
Charge for the year	-	30.57	102.10	6.32	4.86	3.32	3.97	151.14
Re-classification	-	-	-	-	(0.04)	0.11	-	0.07
Disposals/write off	-	-	5.03	-	0.67	0.78	0.79	7.27
As at 31st March, 2023	-	112.09	448.97	21.88	14.54	9.12	13.94	620.54
Charge for the year	-	30.71	108.24	6.26	4.95	3.44	4.23	157.83
Re-classification	-	0.21	(0.23)	0.02	-	-	-	(0.00)
Disposals/write off	-	-	22.45	-	0.42	0.46	2.48	25.81
As at 31st March, 2024	-	143.01	534.53	28.16	19.07	12.10	15.69	752.56
Net Book Value								
As at 31st March, 2024	1,059.53	877.18	1,184.41	37.97	9.85	12.64	22.79	3,204.37
As at 31st March, 2023	1,059.53	807.78	1,112.94	42.65	13.83	13.46	22.60	3,072.79

Certain borrowings of the Company have been secured against Property, Plant and Equipment (Refer Note No. 17 & 21)



Notes to Financial Information

Note No: 4 Capital Work in Progress- Tangible

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance at the beginning	102.09	102.39
Additions	100.63	71.87
Less: Capitalised during the year	103.20	72.17
Reversal of Impairment	-	-
Balance at the end	99.52	102.09

There are no capital work in progress where completion is overdue against original planned timelines as on 31st March, 2024.

The following table presents the ageing schedule for Capital-work-in progress -

(Rs. in millions)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Capital work in progress	99.52	-	-	-	99.52
	99.52	-	-	-	99.52
As at March 31, 2023					
Capital work in progress	81.78	20.31	-	-	102.09
	81.78	20.31	-	-	102.09

Note No: 5 Right of Use Assets

(Rs. in millions)

Particulars	Amount
Cost	Building
As at 1st April, 2023	66.74
Additions	88.73
Disposals/write off	-
As at 31st March, 2024	155.47
Accumulated Depreciation	
As at 1st April, 2023	57.30
Additions	20.90
Disposals/write off	-
As at 31st March, 2024	78.20
Net Book Value	
As at 31st March, 2024	77.27
As at 31st March, 2023	9.44

Note No: 6 Intangible Assets

(Rs. in millions)

Particulars	Computer Software	Trademark	Technical Know-How	Total
Cost				
As at 1st April, 2022	28.51	0.38	13.30	42.19
Additions	-	-	16.16	16.16
Re-classification	(0.07)	-	-	(0.07)
Disposals/write off	2.26	-	-	2.26
As at 31st March, 2023	26.18	0.38	29.46	56.02
Additions	1.50	-	9.33	10.83
Re-classification	-	-	-	-
Disposals/write off	-	-	-	-
As at 31st March, 2024	27.68	0.38	38.79	66.85

Notes to Financial Information

(Rs. in millions)

Particulars	Computer Software	Trademark	Technical Know-How	Total
Accumulated Depreciation				
As at 1st April, 2022	9.98	0.24	4.70	14.92
Additions	2.92	0.05	7.55	10.52
Re-classification	(0.07)	-	-	(0.07)
Disposals/write off	1.96	-	-	1.96
As at 31st March, 2023	10.87	0.29	12.25	23.41
Additions	3.00	0.05	8.49	11.54
Re-classification	-	-	-	-
Disposals/write off	-	-	-	-
As at 31st March, 2024	13.87	0.34	20.74	34.95
Net Book Value				
As at 31st March, 2024	13.81	0.04	18.05	31.90
As at 31st March, 2023	15.31	0.09	17.21	32.61

Note No: 7 Intangible Assets under Development

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance at the beginning	15.88	25.41
Additions	11.22	4.75
Less: Capitalised during the year	9.57	14.28
Reversal of Impairment	-	-
Balance at the end	17.53	15.88

The following table presents the ageing schedule for Capital-work-in progress -

(Rs. in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024					
Capital work in progress	17.53	-	-	-	17.53
	17.53	-	-	-	17.53
As at March 31, 2023					
Capital work in progress	9.57	6.31	-	-	15.88
	9.57	6.31	-	-	15.88

Note No: 8 Financial Assets

Note No: 8 (i) Non Current Investments

Particulars	Number of Shares		Amount (Rs. in millions)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Investment in Equity Shares				
A. In Others - At FVTPL				
- Bank of Maharashtra 10/-	1,900.00	1,900.00	0.12	0.02
Total (A)	1,900.00	1,900.00	0.12	0.02
B. Subsidiary- Unquoted				
- Investment in Equity Shares of 1 EURO SMK EUROPE UNIPESSOAL, LDA- Fully Paid up*	-	3,00,000.00	-	23.99
Total (B)	-	3,00,000.00	-	23.99
Total Investments	1,900.00	3,01,900.00	0.12	24.01
Aggregate Value of Unquoted Investments			-	23.99
Aggregate Value of Quoted Investments			0.12	0.02
Aggregate Market Value of Quoted Investments			0.12	0.02
Aggregate Amt of Impairment in Value of Investments			-	-

*During the FY 23-24, the company has liquidated its investment in WOS, SMK Europe Unipessoal, LDA.



Notes to Financial Information

Note No: 8 (ii) Other Financial Assets

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balances with Bank		
- in Deposit having maturity for more than 12 months	12.65	272.57
Security Deposit with Vendors	24.35	23.85
Total	37.00	296.42

Note No: 9 Inventories

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Raw Materials	195.64	164.52
Raw Material in Transit	7.84	30.85
Finished Goods	176.67	109.52
Work in Progress	22.04	45.21
Total	402.19	350.10

Certain borrowings of the Company have been secured against Inventories (Refer Note No. 17 & 21).

For Valuation, refer Note 2 k of Accounting Policies

Note No: 10 Trade Receivables

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Carried at Amortised Cost		
From Others*		
- Secured, considered good	7.41	6.23
- Unsecured, considered good	276.23	306.45
- With significant increase in credit risk	-	1.54
Total Receivable	283.64	314.22
Less: Credit impaired	-	(1.54)
Total	283.64	312.68

* It includes amount due from Related party (Bikerz US Inc) Rs. 5.80 Mn for FY 23-24 (Previous Year - Rs. 5.84 Mn)

Certain borrowings of the Company have been secured against Trade Receivables (Refer Note No. 17 & 21).

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

Ageing of Trade Receivables as at 31st March, 2024

(Rs. in millions)

Particulars	Outstanding for following periods from the date of payment					TOTAL
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	277.18	4.22	1.58	-	0.66	283.64
(ii) Undisputed Trade Receivables-Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Total	277.18	4.22	1.58	-	0.66	283.64

Notes to Financial Information

Ageing of Trade Receivables as at 31st March, 2023

(Rs. in millions)

Particulars	Outstanding for following periods from the date of payment					TOTAL
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	295.77	16.80	0.01	-	-	312.58
(ii) Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	1.64	1.64
Total	295.77	16.80	0.01	-	1.64	314.22

Note No: 11 Cash and Cash Equivalents

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Cash in hand	0.01	0.05
Balances with Bank		
- in Deposit having maturity for less than 3 months	346.50	216.37
- in Current accounts	9.21	7.50
Total	355.72	223.92

Note No: 12 Other Bank Balances

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balances with Bank		
- in Deposit having maturity for more than 3 months but less than 12 months	227.69	46.61
- in Unpaid Dividend account	2.12	1.82
Total	229.81	48.43

Note No: 13 Other Financial Assets

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Carried at Amortised Cost		
Unsecured, considered good		
Advances to employees	2.91	1.01
Total	2.91	1.01

Note No: 14 Other Current Assets

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured, considered good		
Advance to Vendors		
- Capital Advance	18.96	43.43
- Others	21.62	41.83
Export Benefit Receivable	2.14	2.55
Prepaid Expenses	10.20	11.69
Balance of Cenvat/GST	11.74	1.88
Other Assets	48.99	19.07
Total	113.65	120.45



Notes to Financial Information

Note No: 15 Equity Share Capital

Particulars	Number of Shares		Amount (Rs. in millions)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Authorised Capital				
Equity shares of Rs. 5/- each*	5,00,00,000	5,00,00,000	250.00	250.00
Issued Capital				
Equity share of Rs. 5/- each*	1,96,76,700	1,96,76,700	98.38	98.38
Subscribed and Fully Paid up				
Equity share of Rs. 5/- each*	1,96,76,700	1,96,76,700	98.38	98.38

In the EGM held on 7th July, 2018, Bonus shares were issued in the ratio of 8 equity shares for every 1 equity share held.

A Reconciliation of Number of Equity Shares Outstanding

Particulars	Number of Shares		Amount (Rs. in millions)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Balance at the beginning of the year	1,96,76,700	1,96,76,700	98.38	98.38
Add: Effect due to Share Split	-	-	-	-
Add: Effect due to Bonus Issue	-	-	-	-
Less: Cancelled during the year	-	-	-	-
Balance at the end of the year	1,96,76,700	1,96,76,700	98.38	98.38

B Rights, Preferences and Restrictions attached to Equity Shares.

The Company has one class of Equity Shares with a par value of Rs. 5/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion of their holding. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.

C Details and Shareholders holding more than 5% Equity Shares

Particulars	Number of Shares		Percentage (%)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Equity shares of Rs. 5/- each fully paid				
Madhu Bhushan Khurana	1,08,67,780	1,08,72,880	55.23%	55.26%
Sidhartha Bhushan Khurana	28,44,680	28,34,480	14.46%	14.41%
Chand Khurana	16,43,700	16,48,800	8.35%	8.38%

D Details of promoters' shareholding

Particulars	Number of Shares		Percentage (%)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Equity shares of Rs. 5/- each fully paid				
Madhu Bhushan Khurana	1,08,67,780	1,08,72,880	55.23%	55.26%
Sidhartha Bhushan Khurana	28,44,680	28,34,480	14.46%	14.41%

In the EGM held on 7th July, 2018, Bonus shares were issued in the ratio of 8 equity shares for every 1 equity share held.

Notes to Financial Information

Note No: 16 Other Equity

(Rs. in millions)

Particulars	Reserve & Surplus			TOTAL
	Securities Premium	General Reserves	Retained Earnings	
As at 1st April, 2022	-	82.74	2,926.95	3,009.69
Addition:				
Profit for the year	-	-	332.58	332.58
Other Comprehensive Income (net of tax)	-	-	(1.97)	(1.97)
Less:				
Dividend	-	-	59.03	59.03
As at 31st March, 2023	-	82.74	3,198.53	3,281.27
As at 1st April, 2023	-	82.74	3,198.53	3,281.27
Addition:				
Profit for the year	-	-	572.27	572.27
Other Comprehensive Income (net of tax)	-	-	0.84	0.84
Less:				
Dividend	-	-	78.71	78.71
As at 31st March, 2024	-	82.74	3,692.93	3,775.67

Note No: 17 Non-Current Borrowings

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Term Loans from Banks (Secured)		
Vehicle Loan	6.13	12.38
Other Term Loan	-	293.40
Total	6.13	305.78
Less: Current Maturities on Non Current Borrowings		
- Vehicle Loan	4.14	6.25
- Other Term Loan	-	100.24
Total	4.14	106.49
Total Non-Current Borrowings	1.99	199.29

A. Term Loan From HDFC (Sanctioned Rs. 480 Mn. Balance as on 31st March, 2024 - Rs. Nil)

B. Term Loan From HDFC (Sanctioned Rs. 595 Mn. Balance as on 31st March, 2024 - Rs. Nil)

Term Loan having balance of Rs. 263.40 Mn as on 31st March, 2023 has been fully pre-paid during the FY 23-24.

C. Vehicle Loans

Security Terms:

Secured against hypothecation of specified vehicles of the company.

Interest Rates:

Applicable rate of interest is 7.90% to 8.50%

Repayment Terms:

Vehicle loans are repayable within 39/60 equal monthly installments.



Notes to Financial Information

Note No: 18 Other Non-Current Financial Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Carried at Amortised Cost		
Security Deposit from Dealers	29.72	26.65
Total	29.72	26.65

Note No: 19 Non-Current Provisions

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Employee Benefits		
- Gratuity	35.15	30.02
- Leave Encashment	10.22	10.97
Total	45.37	40.99

Note No: 20 Deferred Tax Liabilities (Net)

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deferred Tax Liabilities:		
Impact of difference between tax depreciation and depreciation	182.85	167.14
Total Deferred Tax Liabilities	182.85	167.14
Deferred Tax Assets:		
Disallowance under the Income Tax Act, 1961	17.24	11.73
Total Deferred Tax Assets	17.24	11.73
Net Deferred Tax Liabilities/(Asset)	165.61	155.41

Reconciliation of Deferred Tax Liabilities (Net)

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deferred Tax Liabilities:		
Impact of difference between tax depreciation and depreciation		
Opening Balance	167.14	152.48
Movement during the year	15.71	14.66
Closing Balance	182.85	167.14
Deferred Tax Assets:		
Disallowance under the Income Tax Act, 1961		
Opening Balance	11.73	18.58
Movement during the year	5.51	(6.85)
Closing Balance	17.24	11.73
Net Deferred Tax Liabilities/(Asset)	165.61	155.41

Note No: 21 Current Borrowings

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Loan Repayable on Demand		
From Banks (Secured*)		
- Cash Credit	-	-
- Current Maturities on Borrowings from Banks (Refer Note No. 17)	4.14	106.49
Total	4.14	106.49

Overdraft limit of Rs. 10 million has been sanctioned by HDFC Bank and balance against this overdraft limit as at year end is positive. Overdraft limit of Rs. 200 million has been sanctioned by HDFC Bank against FDR and balance against this overdraft limit as at year end is positive.

Notes to Financial Information

Note No: 22 Trade Payables

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Dues Owed to Micro, Small and Medium Enterprises*	86.29	26.26
Dues of Other than MSMEs	219.30	320.47
Total	305.59	346.73

* The above information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company (Refer Note No. 35)

Ageing of Trade Payables as at 31st March, 2024.

(Rs. in millions)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	85.59	0.70	-	-	86.29
(ii) Others	219.30	-	-	-	219.30
(iii) Disputed MSME	-	-	-	-	-
(iv) Others MSME	-	-	-	-	-
TOTAL	304.89	0.70	-	-	305.59

Ageing of Trade Payables as at 31st March, 2023

(Rs. in millions)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	26.26	-	-	-	26.26
(ii) Others	320.43	0.04	-	-	320.47
(iii) Disputed MSME	-	-	-	-	-
(iv) Others MSME	-	-	-	-	-
TOTAL	346.69	0.04	-	-	346.73

Note No: 23 Other Current Financial Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Payables on purchase of Property, Plant & Equipment	13.69	7.11
Employee Related Liabilities	84.53	77.81
Expenses Payable	59.10	89.13
Others Payable	1.86	2.14
Unpaid Dividend	2.07	1.77
Total	161.25	177.96

Note No: 24 Other Current Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advances received from Customers	59.12	55.05
Statutory Dues	87.53	71.20
Total	146.65	126.25



Notes to Financial Information

Note No: 25 Current Provisions

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Employee Benefits		
- Gratuity	16.39	15.41
- Leave Encashment	2.48	2.24
Total	18.87	17.65

Note No: 26 Current Tax Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Income Tax Payable	20.86	22.59
Total	20.86	22.59

Note No: 27 Revenue from operations

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Sale of Goods		
- Inland Sales	4,944.60	4,476.80
- Exports Sales	531.98	678.99
Total Sales	5,476.58	5,155.79
Less : Discount & Incentives	186.35	164.10
Net Sales	5,290.23	4,991.69

Note No: 28 Other Income

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Other income - operative		
Interest Income	36.69	18.92
Service Income-Domestic	1.97	2.33
Service Income-Export	2.60	19.60
Miscellaneous Income	3.46	3.65
Export Incentive	10.15	18.13
Profit on account of Currency Fluctuation	11.65	10.48
Other income - Non-operative		
Provision for Bad Debts written back	1.54	-
Gain on Investments carried at Fair Value through Profit & Loss	0.09	-
Total	68.15	73.11

Note No: 29 (Increase)/decrease in Inventories of Finished Goods and Work-in-Progress

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Inventory at the beginning of the year		
Finished Goods	109.52	132.34
Work in Progress	45.20	50.73
Total	154.72	183.07
Less: Inventory at the end of the year		
Finished Goods	176.67	109.52
Work in Progress	22.04	45.20
Total	198.71	154.72
Net (Increase)/Decrease	(43.99)	28.35

Notes to Financial Information

Note No: 30 Employee Benefit Expenses

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Salaries, Wages and Bonus	637.23	596.62
Contribution to Provident Fund & Other Fund	39.74	37.88
Employees Welfare Expenses	31.66	18.98
Total	708.63	653.48

Note No: 31 Finance Cost

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Interest on:		
- Term Loan	6.58	23.13
- Cash Credit / Overdraft	0.09	0.01
- Vehicle Loan	0.73	0.98
- Delayed Payment to MSME	0.96	1.21
- HSIIDC	-	-
- Dealer Security Deposit	1.29	1.29
- Lease Liability	6.40	1.53
- Others	-	0.06
Total	16.05	28.21

Note No: 32 Depreciation and Amortisation Expense

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Depreciation of Property, Plant & Equipment	157.84	151.14
Amortisation of Right of use assets	20.90	19.36
Amortisation of intangible assets	11.54	10.51
Total	190.28	181.01

Note No: 33 Other Expenses

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Labour Charges	267.28	192.01
Power & Fuel	242.18	236.63
Stores Consumed	117.54	74.64
Cartage Outward	265.86	262.40
Insurance Expenses	11.64	12.48
Repair and Maintenance		
- Plant & Machinery	57.03	43.81
- Building	39.10	11.39
- Others	5.58	5.64
Payment to Auditors	0.50	0.50
Legal & Professional Expenses	33.41	32.38
Corporate Social Responsibility (CSR) expenses	12.35	15.70
Travelling & Conveyance Expenses	21.05	16.88
Security & housekeeping Exp	25.41	25.55
Commission on Sales	23.10	26.95
Advertisement & Sales Promotion	84.16	97.23
(Gain)/Loss on Sale of Assets	7.25	1.60
Bank Charges	1.27	0.91
Miscellaneous Expenses	79.15	62.38
Total	1,293.86	1,119.08



Notes to Financial Information

Note No: 34 Earnings Per Share (EPS)

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

Diluted EPS amounts are calculated by dividing profit attributable to equity holders of the Company by 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, unless the effect of potential dilutive equity share is antidilutive.

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

Particulars	(Rs. in millions)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Profit after tax for calculation of EPS (Rs. In millions) (A)	572.27	332.58
Number of equity shares post split	1,96,76,700	1,96,76,700
Add: Effect of Bonus issue	-	-
Number of equity shares for calculating basic & diluted EPS (B)	1,96,76,700	1,96,76,700
Face Value per share (Amount in Rs.)	5.00	5.00
Basic Earning per share (Amount in Rs.) (A/B)	29.08	16.90
Diluted Earning per share (Amount in Rs.) (A/B)	29.08	16.90

Note No: 35 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	(Rs. in millions)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to MSME	86.29	26.26
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.96	1.21
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Note No: 36 Segment Information

The Company is primarily engaged in the business of "manufacturing and sale of helmets and two wheeler accessories" which in context of Ind AS 108 "Segment Reporting" as referred to in Companies (Indian Accounting Standards) Rules, 2015 is considered as the only Business Segment.

Notes to Financial Information

Note No: 37 Disclosure relating to Corporate Social Responsibility (CSR) Expenditure

In light of Section 135 of the Companies Act, 2013 the Company has carried out the following expenses on Corporate Social Responsibility (CSR) activities aggregating to Rs. 12.35 millions as on 31st March, 2024 :-

(Rs. in millions)		
Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
(i) Gross amount required to be spent by the Company during the year	12.35	15.70

(Rs. in millions)			
Particulars	Paid	Unspent at Year end	Total
(ii) Amount to be spent during the year ending on 31st March, 2024:			
1. Construction/acquisition of any asset	-	-	-
2. On purposes other than 1 above	12.35	-	12.35
(ii) Amount spent during the year ending on 31st March, 2023:			
1. Construction/acquisition of any asset	-	-	-
2. On purposes other than 1 above	15.70	-	15.70

Nature of Activities taken under CSR :

Activities related to Preventive Healthcare, Education, Environmental Sustainability, Contribution to Prime Minister National Relief Fund

Note No: 38 Related Party Disclosures

The list of related parties as identified by the management is as under:

Wholly Owned Foreign Subsidiary Company:

- SMK EUROPE-UNIPESOAL, LDA*

*During the FY 23-24, the company has liquidated its investment in WOS, SMK EUROPE-UNIPESOAL, LDA

Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence

- Studds Foundation
- Bikerz INC (formerly known as Studds Canada)
- Bikerz US INC

Key Management Personnel & their Relatives:

- Mr. Madhu Bhushan Khurana	Chairman and Managing Director
- Mrs. Chand Khurana	Wife of Chairman and Managing Director
- Mr. Sidhartha Bhushan Khurana	Managing Director
- Mrs. Garima Khurana	Wife of Managing Director
- Mrs. Shilpa Arora	Daughter of Chairman and Managing Director
- Mrs. Pallavi Saluja	Independent Director
- Mr. Shanker Dev Choudhry	Independent Director
- Mr. Pankaj Duhan	Independent Director
- Mr. Manish Mehta	Chief Financial Officer
- Mr. Hitesh Wadhera (resigned w.e.f 11/11/2023)	Company Secretary
- Mrs. Asha Mittal (appointed w.e.f 02/03/2024)	Company Secretary



Notes to Financial Information

Following transactions were carried out with related parties in the ordinary course of business during the year Ended 31st March, 2024 and 31st March, 2023 :-

(Rs. in millions)

S. No.	Name of the Party	Nature of Transaction	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Enterprise with Significant Influence			
	Bikerz US INC	Sale of Goods	11.08	10.94
		Marketing Support Services availed	0.91	2.62
		Reimbursement given for Space Booking	-	0.33
		Balance Receivable/(Payable)	5.80	5.84
	SMK EUROPE-UNIPESSOAL, LDA	Proceeds on account of Liquidation of Investment	25.82	-
2	Key Management Personnel & their Relatives			
	Mr. Madhu Bhushan Khurana	Director's Remuneration:		
		- Short-term employee benefits	34.42	21.81
		- Dividend	43.47	32.62
		- Balance Receivable/(Payable)	(13.25)	(5.75)
	Mrs. Chand Khurana	Salary:		
		- Short-term employee benefits	3.55	3.01
		- Dividend	6.57	4.95
		- Balance Receivable/(Payable)	(0.19)	(0.16)
	Mr. Sidhartha Bhushan Khurana	Director's Remuneration:		
		- Short-term employee benefits	34.46	22.54
		- Dividend	11.38	8.50
		- Balance Receivable/(Payable)	(13.02)	(5.80)
	Mrs. Garima Khurana	Salary:		
		- Short-term employee benefits	1.89	1.59
		- Dividend	0.14	0.11
		- Balance Receivable/(Payable)	(0.01)	(0.10)
	Mrs. Shilpa Arora	Dividend	0.36	0.27
	Mrs. Pallavi Saluja	Sitting Fees	0.07	0.05
	Mr. Shanker Dev Choudhry	Sitting Fees	0.05	0.04
	Mr. Pankaj Duhan	Sitting Fees	0.04	0.04
	Mr. Manish Mehta	Salary	4.68	4.55
	Mr. Hitesh Wadhera	Salary	2.07	3.04
	Mrs. Asha Mittal	Salary	0.27	-

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs through banking channel. There have been no guarantees provided or received for any related party receivables or payables. For the period/year ended 31st March, 2024 and 31st March, 2023 the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note No: 39 Commitments and Contingencies

(i) Commitments (Net of Advances)

Estimated amount of contracts remaining to be executed on capital account and not provided for are as follows:-

(Rs. in millions)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	14.57	-

Notes to Financial Information

(ii) Contingent Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Service Tax demand	3.17	3.17
Goods and Services Tax demand	2.75	2.75
Goods and Services Tax demand - FY 18-19	2.28	-
Income Tax demand - AY 20-21	4.55	4.55
Bank Guarantees/Letter of Credits	37.10	22.87
Claims against the company lodged by various parties (Includes Labour & Vendors)	2.47	1.18

- (a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (b) The company does not expect any material financial impact in respect of the above contingent liabilities.
- (c) There are certain cases against the company, the amount of which can not be quantified.

Note No: 40 Employee Benefits

(A) Defined Contribution Plans as per Ind AS 19 Employee Benefits:

Contribution to Defined Contribution Plan recognised as expense is as under:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Employer's Contribution to Provident Fund & Pension*	29.98	28.14
Employer's Contribution to ESI*	8.66	8.72

* Included in Contribution to provident and other funds under Employee Benefits Expense (Refer Note No. 30).

(B) Defined Benefit Plans and Other Long Term Benefits as per Ind AS 19 Employee Benefits:

The Company has defined benefit plan namely Gratuity plan which is governed by payment of Gratuity Act, 1972 and other long term benefits namely Leave Encashment. The liability for both the defined benefit plan is computed using the projected unit credit method by a qualified actuary. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

I. Disclosures in Respect of Gratuity:

(i) Present value of Defined Benefit Obligation:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Present value of obligation as at the beginning	45.44	38.19
Interest Cost	3.27	2.63
Past Service Cost	-	-
Current Service Cost	5.94	5.52
Benefits Paid	(1.98)	(3.55)
Re-measurement (or Actuarial) (Gain)/Loss	(1.12)	2.64
Present Value of Obligation as at the end	51.55	45.43
Current Liability	16.39	15.41
Non-Current Liability	35.16	30.02



Notes to Financial Information

(ii) Fair Value of Plan Assets:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Fair Value of Plan Assets as at the beginning	-	-
Interest Income	-	-
Employer's Contribution	-	-
Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Fair Value of Plan Assets as at the end	-	-

(iii) Assets and Liabilities recognized in the Balance Sheet:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Present Value of Obligation at the end	51.55	45.43
Fair Value of Plan Assets at the end	-	-
Amount recognised in Balance Sheet	51.55	45.43

(iv) Net Employee Benefit Expense (recognized in Employee Cost):

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Current Service Cost	5.94	5.52
Past Service Cost	-	-
Net Interest Cost on Net Defined Benefit Liability	3.27	2.63
Net Benefit Expense recognized in Statement of Profit and Loss	9.21	8.15

(v) Amount recognised in Other Comprehensive Income:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Actuarial (Gain)/Loss arising from:		
Effect of experience adjustment (Gains)/Losses	(1.40)	1.55
Difference in Present Value of Obligations	0.27	1.09
Components of defined benefit costs recognised in other comprehensive income	(1.13)	2.64

(vi) Funding Pattern

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Effect of experience adjustment (Gains)/Losses	Nil	Nil

(vii) The principal assumptions used in determining defined benefit obligations are shown below:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Discount Rate	7.24%	7.35%
Attrition Rate	12.00%	12.00%
Salary Growth Rate	10.00%	10.00%
Mortality Rate	IAL 2012-14	IAL 2012-14

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Financial Information

(viii) A quantitative sensitivity analysis for significant assumption

(a) Discount Rate

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Change in assumption (1 % p.a. increase)		
Impact on defined benefit obligation	(2.38)	(2.07)
Change in assumption (1 % p.a. decrease)		
Impact on defined benefit obligation	2.66	2.31

(b) Salary growth rate

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Change in assumption (2 % p.a. increase)		
Impact on defined benefit obligation	5.37	4.68
Change in assumption (2 % p.a. decrease)		
Impact on defined benefit obligation	(4.50)	(3.90)

(c) Attrition Rate

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Change in assumption (2 % p.a. increase)		
Impact on defined benefit obligation	(0.98)	(0.89)
Change in assumption (2 % p.a. decrease)		
Impact on defined benefit obligation	1.17	1.06

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(ix) Defined benefit liability and employer contributions

Expected benefit payments are as follows:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Within the next 12 months	16.54	15.55
Between 2 and 5 years	16.58	14.49
Between 5 and 10 years	14.92	13.46
After 10 years	32.46	27.96

(x) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:-

- (a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.
- (b) **Salary inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- (c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long career employee.



Notes to Financial Information

II. Disclosures in Respect of Leave Encashment and Compensated Absences (Unfunded):

(a) Movement in the present value of the defined benefit obligation:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Present Value of Obligation as at the beginning	12.92	10.24
Current Service Cost	7.27	7.15
Interest Cost	0.69	0.50
Re-measurement (or Actuarial) (Gain)/Loss	(1.50)	1.78
Benefits Paid	(6.97)	(6.75)
Present Value of Obligation as at the end	12.41	12.92
Current Liability	2.20	1.95
Non-Current Liability	10.21	10.97

(b) Net Employee Benefit Expense (recognized in Employee Cost):

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Current Service Cost	7.27	7.15
Past Service Cost	-	-
Interest Cost	0.69	0.50
Re-measurement (or Actuarial) (Gain)/Loss	(1.50)	1.78
Net benefit expense recognized in statement of Profit and Loss	6.46	9.43

(c) The principal assumptions used in determining defined benefit obligations are shown below:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Discount Rate	7.24%	7.35%
Attrition Rate	12.00%	12.00%
Salary Growth Rate	10.00%	10.00%
Mortality Rate	IAL 2012-14	IAL 2012-14

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) Reconciliation of Fair Value of Assets and Obligation:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Fair Value of Plan Assets at the end	-	-
Present Value Obligation at the end	12.41	12.92
Amount Recognised in Balance Sheet	12.41	12.92

Note No: 41 Lease related disclosures

The Company has leases for office buildings, warehouses and manufacturing facilities. With the exception of short-term leases, leases of low-value underlying assets and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

Notes to Financial Information

A) Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Short term leases & low value assets	-	-
Total	-	-

B) Lease under Ind AS 116 for the year ended 31st March, 2024

The Detail of the Right-of-Use assets held by the Company is as follows:

(Rs. in millions)

Particulars	Depreciation charge for the year	Net carrying amount
Building & Warehousing facilities	20.90	77.27
Total	20.90	77.27

C) Amount recognised in Statements of Profit & Loss:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Depreciation on right-of-use assets	20.90	19.36
Interest on lease liabilities	6.40	1.52
Rental expenses relating to short term leases and Low value assets	-	-
Total	27.30	20.88

D) Amount recognised in Statements of cash flows:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Total Cash out flow for the leases	71.37	(14.73)

E) The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2023 is 9%.

F) Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(Rs. in millions)

31st March, 2024	Minimum lease payments due			Total
	Within 1 year	1-2 years	More than 2 Years	
Lease payments	25.52	22.58	49.65	97.75
Interest expense	6.58	4.88	4.76	16.22
Net present values	18.94	17.70	44.89	81.53



Notes to Financial Information

Note No: 42 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

Particulars	31 st March, 2024		31 st March, 2023	
	(Rs. in millions)			
	Carrying Value	Fair Value	Carrying Value	Fair Value
Non-Current Investments*	0.12	0.12	24.01	24.01
Trade Receivables	283.64	283.64	312.68	312.68
Cash & Cash Equivalents	355.72	355.72	223.92	223.92
Other Bank Balances	229.81	229.81	48.43	48.43
Other Financial Assets	39.90	39.90	297.43	297.43
Total Financial Assets	909.19	909.19	906.47	906.47

* Does not include investments in subsidiary which are measured at cost in accordance with Ind AS 101 and Ind AS 27.

Particulars	31 st March, 2024		31 st March, 2023	
	(Rs. in millions)			
	Carrying Value	Fair Value	Carrying Value	Fair Value
Non-Current Borrowings	1.99	1.99	199.29	199.29
Other Non-Current Financial Liabilities	29.72	29.72	26.65	26.65
Current Borrowings	4.14	4.14	106.49	106.49
Trade Payables	305.59	305.59	346.73	346.73
Other Current Financial Liabilities#	161.25	161.25	177.96	177.96
Total Financial Liabilities	502.69	502.69	857.12	857.12

including current maturities of non-current borrowings

C. Fair value measurement hierarchy for Assets and Liabilities

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:-

Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

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

Particulars	31 st March, 2024		31 st March, 2023	
	(Rs. in millions)			
Financial Assets	-	-	-	-
Financial investments as FVTPL	-	-	-	-
Investment in Quoted Shares (Level 1)	0.12	0.02	-	-
Investment in Unquoted Shares (Level 1)	-	23.99	-	-

The management assessed that fair values of cash and cash equivalents, trade receivables, other bank balances, other current financial assets, trade payables and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of security deposits and borrowings are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

There have been no transfer from one level to another level of valuation during the above periods.

Notes to Financial Information

Note No: 43 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, other bank balances, investment in equity shares and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management has assigned the responsibility to oversee the management of these risks to its treasury team. The treasury team assesses the financial risks and takes appropriate action to mitigate those risks. The treasury team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. 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, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and investment in equity shares.

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

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

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 debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and 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:

(Rs. in millions)			
Particulars	Increase/ decrease in basis points	Year Ended 31 st March, 2024	Year Ended 31 st March, 2023
INR Loans*	+ 100 Basis Points	-	-
INR Loans*	- 100 Basis Points	-	-

*Does not include those loans whose rate of Interest is fixed.

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).

Foreign Currency Exposure that have not been hedged by derivative Instrument are given below.

(Rs. in millions)			
Liabilities/Assets	FOREIGN CURRENCY		
	As at 31 st March, 2024	As at 31 st March, 2023	
Liabilities			
USD	1.02	0.40	
EURO	0.27	0.28	
Assets			
USD	0.79	1.09	
EURO	0.17	0.16	



Notes to Financial Information

(Rs. in millions)

Liabilities/Assets	INR	
	As at 31 st March, 2024	As at 31 st March, 2023
Liabilities		
USD	85.09	35.50
EURO	24.74	9.41
Assets		
USD	65.57	89.23
EURO	15.00	13.43

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD and EURO, 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. The Company's exposure to foreign currency changes for all other currencies is as under:

(Rs. in millions)

Currency	Change in rate	Effect on profit before tax for the year	
		31 st March, 2024	31 st March, 2023
USD	Appreciation in INR by 5%	0.98	(2.69)
USD	Depreciation in INR by 5%	(0.98)	2.69
EURO	Appreciation in INR by 5%	0.49	(0.20)
EURO	Depreciation in INR by 5%	(0.49)	0.20

Credit Risk

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

Trade Receivables

Customer credit risk is being driven by Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The management believes that the trade receivables as on 31st March, 2024 and 31st March, 2023 are not subject to any further credit risk. Accordingly, no new credit losses are being accounted for.

Ageing of Trade Receivables

(Rs. in millions)

Particulars	31 st March, 2024	31 st March, 2023
0-6 Months	277.18	295.77
6-12 Months	4.22	16.80
More than 12 months	2.24	1.65
Total	283.64	314.22

Notes to Financial Information

Balances with Banks

Credit risk from balances with banks and financial institutions 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. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March, 2024 and 31st March, 2023 is the carrying amounts of balances with banks.

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term bank loans and short term borrowings etc. 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.

(Rs. in millions)

Nature of Liability	Up to 1 Year	1 to 5 years	More than 5 years	Total
As at 31st March, 2024				
Borrowings	-	1.99	-	1.99
Other Non-Current Financial Liabilities	-	29.72	-	29.72
Lease Liabilities	18.94	62.59	-	81.53
Current Borrowings	4.14	-	-	4.14
Trade Payables	305.59	-	-	305.59
Other Current Financial Liabilities	161.25	-	-	161.25
Total	489.92	94.30	-	584.22

(Rs. in millions)

Nature of Liability	Up to 1 Year	1 to 5 years	More than 5 years	Total
As at 31st March, 2024				
Borrowings	-	199.29	-	199.29
Other Non-Current Financial Liabilities	-	26.65	-	26.65
Lease Liabilities	6.20	3.97	-	10.17
Current Borrowings	106.49	-	-	106.49
Trade Payables	346.73	-	-	346.73
Other Current Financial Liabilities	177.96	-	-	177.96
Total	637.38	229.91	-	867.29

Note No: 44 Capital Management

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

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



Notes to Financial Information

(Rs. in millions)

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
Borrowings	6.13	305.78
Lease Liabilities	81.53	10.17
Less: Cash and cash equivalents	355.72	223.92
Net Debt (A)*	-	92.03
Equity (B)	3,874.05	3,379.65
Net Debt/ Equity Ratio (A/B)	-	0.03

* Net debt, if negative, is restricted to Nil.

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 borrowing.

Notes to Financial Information

Particulars	Numerator	Denominator	As at 31 st March, 2024	As at 31 st March, 2023	% of variance	Reasons
a. Current Ratio	Current Assets	Current Liabilities	2.05	1.31	56.14	Non-Current Fixed Deposits (FDs) converted into Current Fixed Deposits (FDs)
b. Net Debt-Equity Ratio	Debt	Shareholders' Equity	0.02	0.09	(75.79)	Repayment of term loan
c. Debt Service Coverage Ratio	Earnings Available for Debt	Debt Service	2.37	3.02	(21.57)	
d. Return on Equity Ratio	Net Profit after Taxes	Average Shareholders' Equity	15.78%	10.25%	53.90	Increase in Net Profit
e. Inventory turnover ratio	Cost of Goods Sold	Average Inventory	6.34	6.76	(6.18)	
f. Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	17.74	16.80	5.59	
g. Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	7.47	6.01	24.44	
h. Net capital turnover ratio	Net Sales	Average Working Capital	10.97	17.75	(38.19)	Non-Current Fixed Deposits (FDs) converted into Current Fixed Deposits (FDs)
i. Net profit ratio	Net Profit	Net Sales	10.82%	6.66%	62.36	Reduction in consumption
j. Return on Capital employed	Earnings before taxes	Capital Employed	18.89%	12.82%	47.37	Increase in Net Profit
k. Return on investment:	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	

Note No: 46 Relationship with Struck off companies

The company does not have any transaction with companies struck off under Companies Act, 2013

Note No: 47 Benami Properties

The Company does not have any Benami Property held in its name or in the name of any other person/company. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

Note No: 48 Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Note No: 49 Undisclosed Income

There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (Such as search or survey), that has not been recorded in books of accounts.

Note No: 50 Crypto Currency

The Company has not traded or invested in Crypto currency or virtual currency during the year.



Notes to Financial Information

Note No: 51 Registration or Satisfaction of Charges

The Company does not have any charges or satisfaction of charges, which is yet to be registered with registrar of companies beyond the statutory period

Note No: 52 Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an impact on current or previous financial year.

Note No: 53 Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities(intermediaries) with the understanding that the intermediary shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any other person(s) or entity(ies), including foreign entities(intermediaries) with the understanding (whether recorded in writing or otherwise) that the company shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Note No: 54 Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Note No: 55 Significant accounting judgments, estimates and assumptions

The preparation of the Company's Standalone financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. Judgments

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

Lease

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease-by-lease basis. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods reassessed to ensure that the lease term reflects the current economic circumstances.

Notes to Financial Information

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the Standalone financial information were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Contingent liabilities

The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Company take into consideration the Industry perspective, legal and technical view, availability of documentation/ agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Company provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remote cases are disclosed in the Standalone financial information.

(ii) Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period.

(iii) Impairment of Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

(iv) Gratuity benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

(v) Taxes

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax liabilities, cash tax settlements and therefore the tax charge in the statement of profit or loss.

Note No: 56 Distributions Made and Proposed

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Amounts recognised as distributions to equity holders:		
Interim Dividend (Including Dividend Tax) (Rs. in millions) (A)	-	-
Per Share Dividend (Amount in Rs.)	-	-
Proposed Dividend (Rs. in millions) (B)*	78.71	78.71
Per Share Dividend (Amount in Rs.)	4.00	4.00
Total Dividend (A+B)	78.71	78.71

* Proposed dividends on equity shares are subject to approval at the ensuing annual general meeting and are not recognized as a liability (including Dividend distribution tax thereon) until approved by shareholders.



Notes to Financial Information

The Board has recommended annual dividend @ 80% on paid up share capital of the company i.e. Rs. 4 per paid up equity shares for the FY 23-24.

Note No: 57

Previous year figures have been rearranged or regrouped, wherever necessary.

See accompanying notes to financial statements
As per our report of even date attached

For Rajan Chhabra & Co.
Chartered Accountants
FRN: 009520N

For and on behalf of Board
STUDDS ACCESSORIES LIMITED

CA Rajan Chhabra
Partner
M No. : 088276

Madhu Bhushan Khurana
Chairman and Managing Director
DIN:00172770

Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Pallavi Saluja
Independent Director
DIN: 07006557

Faridabad, June 22, 2024

Manish Mehta
Chief Financial Officer

Asha Mittal
Company Secretary

Independent Auditor's Report

To
The Members of
Studds Accessories Limited

Report on the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Studds Accessories Limited (herein referred to as "the Holding Company") and its subsidiary SMK Europe, Unipessoal, LDA (the Holding Company and the subsidiary together referred to as "the Group") which comprise the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss (including Other Comprehensive income), the consolidated cash flow statement and the consolidated statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of separate financial statements of the subsidiary company referred to in the other matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2024, the consolidated profit/loss (including comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Information other than the Consolidated Financial Statements and auditors' report thereon

4. The Holding Company's Board of Directors are responsible for the preparation and presentation of the other information. The Other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the Board Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and the Unaudited Financial Information in respect of the Foreign Subsidiary, to the extent it relates to the entity and in doing so, place reliance on these Unaudited Financial information as submitted by the management and to consider whether the information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from the Unaudited Financial information as submitted by the management. If based on the work we have performed, we conclude that there is a material misstatement of this information, we are required to report the facts. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Consolidated Financial Statements

5. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and change in equity of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for



preventing and detecting frauds and other irregularities; for selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the group are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to Going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the group or to cease operations or have no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the group are also responsible for overseeing the group's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design the audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
 11. 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

12. We have not audited the financial statements of subsidiary namely SMK Europe, Unipessoal, LDA, whose financial statements reflect NIL assets as at March 31, 2024 as the subsidiary company has been liquidated during the

year. However it includes total Revenue/ (Expenditure) of Rs. 0.00/ (0.0067) Million respectively for the year ended March 31, 2024 as considered in the Financial Statements. In respect of the said Foreign subsidiary whose Financial Statements are unaudited and have been furnished to us by the management and our opinion on these consolidated financial statements is so far, as it relates to the amounts and disclosures included in respect of the subsidiary is solely based on such unaudited financial information. In our opinion and according to the information and explanation given to us by the management, these unaudited financial information is not material to the group. Our opinion is not modified on this matter.

Report on Other Legal and Regulatory Requirements

13. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including Other Comprehensive income), the consolidated cash flow statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

- (i) The group has disclosed the impact of pending litigations on its consolidated Ind AS financial position in its financial statements – Refer Additional Notes to the financial statements 39(ii), Contingent Liability;
 - (ii) The group does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (h) (i) The Management of the Holding Company has represented that to the best of its knowledge and belief, as disclosed in the notes of accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any person(s) or entity(ies) including foreign entities (intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The Management of the Holding Company has represented that to the best of its knowledge and belief, as disclosed in the notes of accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (" Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused to believe that the representations as provided under sub clause (a) and (b) contain any material misstatement.
- (i) The dividend declared and paid during the year by the holding company is in compliance with provisions of section 123 of the companies Act, 2013.



- (j) The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
14. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's report) Order, 2020 (the "Order") the financial statements of the subsidiary provided are unaudited and hence provisions of the clause is not applicable.
15. Based on our examination, which included test checks, the Holding Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

In respect of the said Foreign subsidiary whose Financial Statements are unaudited and have been furnished to us by the management, we are unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 in respect of Audit Trail.

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

For Rajan Chhabra & co

Chartered Accountants

FRN: 009520N

CA Rajan Chhabra

Partner

M.No: 088276

Faridabad, June 22, 2024

ANNEXURE-A

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

1. We have audited the internal financial controls over financial reporting of Studds Accessories Limited ("the Company") as of 31 March, 2024 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the holding company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur



and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

8. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary company is based on the representation received from the auditor of the subsidiary company.

Opinion

9. In our opinion, the Company has, in all material respects, except for the possible effects of the matter described in

others matter paragraph, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Rajan Chhabra & co
Chartered Accountants
FRN: 009520N

CA Rajan Chhabra
Partner
M.No: 088276

Faridabad, June 22, 2024

Consolidated Balance Sheet

(Rs. in millions)

Particulars	Notes	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
Non-Current Assets			
Property Plant & Equipment	3	3,204.37	3,072.79
Capital Work in Process (Tangible)	4	99.52	102.09
Right of use Assets	5	77.27	9.44
Intangible Assets	6	31.90	32.61
Intangible Assets under development	7	17.53	15.88
Financial Assets	8		
(i) Non-Current Investments		0.12	0.02
(ii) Other Financial Assets		37.00	296.42
Total Non-Current Assets		3,467.71	3,529.25
Current Assets			
Inventories	9	402.19	350.10
Financial Assets			
- Trade Receivables	10	283.64	312.68
- Cash & Cash Equivalents	11	355.72	248.73
- Other Bank Balances	12	229.81	48.43
- Other Financial Assets	13	2.91	1.01
Other Current Assets	14	113.65	120.46
Total Current Assets		1,387.92	1,081.41
Total Assets		4,855.63	4,610.66
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	98.38	98.38
Other Equity	16	3,775.67	3,281.82
Total Equity		3,874.05	3,380.20
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
- Non-Current Borrowings	17	1.99	199.29
- Lease Liabilities		62.59	3.97
- Other Non-Current Financial Liabilities	18	29.72	26.65
Non-Current Provisions	19	45.37	40.99
Deferred Tax Liability (Net)	20	165.61	155.41
Total Non-Current Liabilities		305.28	426.31
Current Liabilities			
Financial Liabilities			
- Current Borrowings	21	4.14	106.49
- Lease Liabilities		18.94	6.20
- Trade Payables	22		
- Total outstanding dues of MSME		86.29	26.26
- Total outstanding dues of creditors other than MSME		219.30	320.75
- Other Current Financial Liabilities	23	161.25	177.96
Other Current Liabilities	24	146.65	126.25
Current Provisions	25	18.87	17.65
Current Tax Liabilities (Net)	26	20.86	22.59
Total Current Liabilities		676.30	804.15
Total Liabilities		981.58	1,230.46
Total Equity and Liabilities		4,855.63	4,610.66

See accompanying notes to financial statements
As per our report of even date attached

For Rajan Chhabra & Co.
Chartered Accountants
FRN: 009520N

For and on behalf of Board
STUDDS ACCESSORIES LIMITED

CA Rajan Chhabra
Partner
M No. : 088276

Madhu Bhushan Khurana
Chairman and Managing Director
DIN:00172770

Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Pallavi Saluja
Independent Director
DIN: 07006557

Faridabad, June 22, 2024

Manish Mehta
Chief Financial Officer

Asha Mittal
Company Secretary



Statement of Profit & Loss

(Rs. in millions)

Particulars	Notes	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Revenue from Operations			
Revenue	27	5,290.23	4,991.69
Other Income	28	68.15	73.11
Total Income		5,358.38	5,064.80
EXPENSES			
Cost of Material Consumed		2,429.80	2,589.15
(Increase)/decrease in Inventories of Finished Goods and Work-in-Progress	29	(43.99)	28.35
Employee Benefit Expense	30	708.63	653.48
Finance Cost	31	16.05	28.21
Depreciation and Amortisation Expense	32	190.28	181.01
Other Expenses	33	1,293.86	1,120.19
Total Expenses		4,594.63	4,600.39
Profit before Tax		763.75	464.41
Tax Expense:			
Current Tax		181.24	106.25
Deferred Tax		10.20	21.51
Tax relating to earlier periods		0.04	5.18
Total Tax Expense		191.48	132.94
Profit for the Period		572.27	331.47
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		1.12	(2.63)
Income tax effect		(0.28)	0.66
Foreign Currency Translation Reserve		-	0.83
Total other comprehensive income		0.84	(1.14)
Total Comprehensive Income for the year		573.11	330.33
Earnings per share (face value Rs. 5/-)	34		
- Basic EPS (in Rs.)		29.08	16.85
- Diluted EPS (in Rs.)		29.08	16.85
See accompanying notes to financial statement			

See accompanying notes to financial statements
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Faridabad, June 22, 2024

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Asha Mittal
Company Secretary

Statement of Cash Flows

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
A Cash Flow from Operating Activities		
Profit before Tax	763.75	464.41
Adjustments for:		
Depreciation and Amortisation Expense	190.28	181.01
Foreign Currency Translation Reserve	-	0.83
Finance Cost	16.05	28.21
Rent Income	(0.32)	(0.32)
Interest Income	(36.69)	(18.92)
Derecognition of reserves on liquidation of WOS	(0.55)	-
Loss on sale of Property, Plant and Equipment & Investment	9.80	2.06
Other Income	(13.61)	(21.78)
Operating Profit before Working Capital changes	928.71	635.50
Working Capital Adjustments:		
Movement in trade & other payables	(21.65)	(99.51)
Movement in trade & other receivables	293.36	(218.45)
Movement in inventories	(52.09)	74.16
Cash Generated from Operations	1,148.33	391.70
Direct Taxes Paid and Taxes earlier years	(183.29)	(109.21)
Net Cash Flow from Operating Activities (A)	965.04	282.49
B Cash Flow from Investing Activities		
Purchases of Property, Plant and Equipment (PPE)	(407.37)	(189.63)
Sale proceeds from sale of PPE	2.91	3.30
Investment in Fixed Deposits/Maturity	(181.38)	154.18
Rent Received	0.32	0.32
Investment in Non Current Investments	(0.09)	-
Interest Received	36.69	18.92
Other Income Received	13.61	21.78
Net Cash Flow from Investing Activities (B)	(535.31)	8.87
C Cash Flow from Financing Activities		
Proceeds/(Repayment) from Non-Current Borrowings (Net)	(299.65)	(130.99)
Dividend	(78.41)	(59.13)
Addition/Repayment of Lease Liabilities	71.37	(14.74)
Interest Paid	(16.05)	(28.21)
Net Cash Flow from Financing Activities (C)	(322.74)	(233.07)
Net increase in Cash and Cash Equivalents (A+B+C)	106.99	58.29
Cash and Cash Equivalent at the beginning of the year	248.73	190.44
Cash and Cash Equivalent at the end of the year	355.72	248.73



Statement of Cash Flows

Change in Liability arising from financing activities

(Rs. in millions)

Particulars	Borrowing	Lease
As at 31st March, 2023	305.78	10.17
Cash Flows	(299.65)	(17.37)
Non-cash changes	-	88.73
As at 31st March, 2024	6.13	81.53

The above statement should be read together with significant accounting policies and notes to the Consolidated financial statements.

- (i) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flow"
- (ii) Cash and Cash Equivalents includes Bank Balances and Cash in hand as per Note No. 11
- (iii) Figures in bracket represents cash outflow

See accompanying notes to financial statements
As per our report of even date attached

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FRN: 009520N

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Faridabad, June 22, 2024

Manish Mehta
Chief Financial Officer

Asha Mittal
Company Secretary

Statement of Changes in Equity

(I) EQUITY SHARE CAPITAL

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Equity shares of Rs. 5/- each		
Balance at the begning of the year	98.38	98.38
Movement during the year	-	-
Balance at the end of the year	98.38	98.38

(II) OTHER EQUITY

(Rs. in millions)

Particulars	Reserve & Surplus			Total
	Securities Premium	General Reserves	Retained Earnings	
As at 1st April, 2022	-	82.74	2,927.78	3,010.52
Addition:				
Profit for the year	-	-	331.47	331.47
Other Comprehensive Income (net of tax)	-	-	(1.14)	(1.97)
Less:				
Dividend	-	-	59.03	59.03
As at 31st March, 2023	-	82.74	3,199.08	3,281.82
As at 1st April, 2023	-	82.74	3,199.08	3,281.82
Addition:				
Profit for the year	-	-	572.27	572.27
Other Comprehensive Income (net of tax)	-	-	0.84	0.84
Less:				
Dividend	-	-	78.71	78.71
As at 31st March, 2024	-	82.74	3,693.48	3,776.22

See accompanying notes to financial statements

As per our report of even date attached

For Rajan Chhabra & Co.

Chartered Accountants

FRN: 009520N

For and on behalf of Board

STUDDS ACCESSORIES LIMITED**CA Rajan Chhabra**

Partner

M No. : 088276

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Faridabad, June 22, 2024

Manish Mehta

Chief Financial Officer

Asha Mittal

Company Secretary



Notes to Consolidated Financial Information

1. Corporate Information

STUDDS ACCESSORIES LIMITED ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 1956. The registered office of the company is located at 918, Sector 68, IMT, Faridabad 121004, Haryana.

Studds Accessories Limited is one of the leading manufacturers and exporters of Helmets & two wheeler accessories in India. The product range of the Company includes two Wheeler Accessories.

2. Material Accounting Policies

(a) Statement of Compliance

The Consolidated Statement of Assets and Liabilities of the Group as at March 31, 2024 and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows for the year ended March 31, 2024 and Other Consolidated Financial Information (together referred as 'Consolidated Financial Information') have been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

These Financial statements have been prepared using presentation and disclosure requirements of the Schedule III, Division II of Companies Act, 2013.

(b) Basis of Consolidation and Equity Accounting

The Consolidated Financial Information have been prepared in accordance with Ind AS 103 "Business Combinations", Ind AS 110 "Consolidated Financial Statements", Ind AS 111 "Joint Arrangements", Ind AS 112 "Disclosure of Interests in Other Entities", Ind AS 28 "Investments In Associates and Joint Ventures" and other accounting pronouncements of the Institute of Chartered Accountants of India.

The Consolidated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the Company's Standalone Financial Information. Accounting policies of consolidated companies have been changed where necessary to ensure consistency with the policies adopted by the group.

The amounts shown in respect of other equity comprise of the amount of the relevant reserves as per the Balance Sheet of the Parent Company and

its share in the post-acquisition increase/decrease in the reserves of the consolidated entities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

The financial statements of the Company for the year ended 31st March, 2024 were approved for issue in accordance with the resolution of the Board of Directors on 22nd June 2024.

Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has right to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control cease.

The group combines the financial statements of the Parent and its Subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gain/loss on transactions between group companies are eliminated.

Excess of purchase consideration and the acquisition date non-controlling interest over the acquisition date fair value of identifiable assets acquired and liabilities assumed is recognised as Goodwill. Goodwill arising on acquisitions is reviewed for impairment annually. Where the fair values of the identifiable assets and liabilities exceed the cost of acquisition, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

Notes to Consolidated Financial Information

SMK Europe, Unipessoal, LDA, acquired on 30 July, 2019, is a Wholly Owned Subsidiary and hence Non controlling Interests are NIL.

Changes in Ownership Interests

The group treats transactions with non-controlling interests which does not result in loss of control as transaction with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is re measured to its fair value with the change in carrying amount recognized in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

Particulars of Subsidiary Company consolidated

S. No.	Name of Company	Country of Incorporation	% Holding
1	SMK EUROPE, UNIPESSOAL, LDA (acquired on 30/07/2019)	Portugal	100%

During the FY 23-24, the company has liquidated its investment in WOS, SMK Europe Unipessoal, LDA.

(c) Key Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from

these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most material effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

- Measurement of defined benefit obligations
- Measurement and likelihood of occurrence of provisions and contingencies
- Recognition of deferred tax assets/liabilities
- Key assumptions used in discounted cash flow projections
- Impairment of Goodwill and Intangible assets
- Indefinite useful life of certain intangible assets
- Measurement of Lease liabilities and Right of Use Asset
- Fair valuation of assets acquired and liabilities assumed as part of business combination

(d) Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of assets and liabilities based on current/ non-current classification.

- An **asset** is treated as **current** when it is:-
 - expected to be realized or intended to be sold or consumed in the normal operating cycle, or
 - held primarily for the purpose of trading, or
 - expected to be realised within twelve months after the reporting period, or
 - cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- The Company classifies **all other Assets** as **non-current**.
- A **liability** is treated as **current** when it is:-
 - expected to be settled in the normal operating cycle, or
 - held primarily for the purpose of trading, or



Notes to Consolidated Financial Information

- 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.

(e) Revenue Recognition

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue is measured on the basis of contracted price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognized to the extent that it is highly probable a material reversal will not occur.

Our customers have the contractual right to return goods only when authorized by the Company. An estimate is made of goods that will be returned and a liability is recognized for this amount using a best estimate based on accumulated experience.

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognised using the effective interest rate (EIR) method.

(f) Expenditure

Expenses are accounted on accrual basis.

(g) Foreign Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements

are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit or loss.

Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. 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 is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in Other Comprehensive Income or the Statement of Profit and Loss are also recognised in Other Comprehensive Income or the Statement of Profit and Loss respectively).

(h) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost of tangible asset includes purchase cost (net of rebates and discounts) including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to Statement of Profit and Loss during the reporting period in which they have incurred.

Capital work in progress is stated at cost less impairment. 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. Freehold land is not depreciated.

Notes to Consolidated Financial Information

When significant parts of plant and equipment are required to be replaced at intervals, the group 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 is calculated using the straight-line method on a pro-rata basis from the date on which each asset is ready for its intended use to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation is provided on estimated useful lives, as specified in Part "C" of the Schedule II of the Companies Act, 2013.

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

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) Intangible Assets

Intangible assets with definite useful life acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The Cost of Intangible assets are amortized on a straight line basis over their estimated useful life which is as follows. Residual Value is considered as Nil in the below cases:

Nature of Assets	Estimated Useful Life
Computer software	6 years
Trademarks	Over the useful life of underlying assets
Technical Know-how	Over the useful life of underlying assets

The amortization period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

(j) Borrowing Costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the group during the period/year. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instruments but does not consider the expected credit losses.

(k) Inventories

Inventories are valued at the lower of cost or net realizable value, less any provisions for obsolescence. Cost is determined on the following basis:-

Raw Materials are recorded at cost on a weighted average cost formula;



Notes to Consolidated Financial Information

Stores & spares are recorded at cost on a weighted average cost formula.

Finished goods and work-in-process are valued at raw material cost + cost of conversion and attributable proportion of manufacturing overhead incurred in bringing inventories to its present location and condition.

Scrap is valued at net realizable value.

Machinery spares (other than those qualified to be capitalized as PPE and depreciated accordingly) are charged to profit and loss on consumption

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.

(l) Provisions and Contingencies

Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets

Contingent asset being a possible asset that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly

within the control of the group, is not recognized but disclosed in the financial statements.

(m) Employee Benefits

Short-Term Obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within the operating cycle after the end of the period in which the employees render the related services are recognised in the period in which the related services are rendered and are measured at the undiscounted amount expected to be paid.

Other Long-Term Employee Benefit Obligations

Liabilities for leave encashment and compensated absences which are not expected to be settled wholly within the operating cycle after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows which is expected to be paid using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. Re measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

Post-Employment Obligations

Defined Benefit Plans

The group has defined benefit plans namely gratuity for employees. The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Re-measurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive

Notes to Consolidated Financial Information

income. They are included in retained earnings in the Statement of Changes in Equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The group has defined contribution plans for post retirements benefits, namely, Employee Provident Fund Scheme administered through Provident Fund Commissioner. The group's contribution is charged to revenue every year. The group has no further payment obligations once the contributions have been paid. The group's contribution to State Plans namely Employees' State Insurance Fund and Employees' Pension Scheme are charged to the Statement of Profit and Loss every year.

(n) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise of 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.

(o) Taxes

Taxes comprise of current income tax and deferred tax.

Current Income Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a

transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit & loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are also recognised in other comprehensive income or directly in equity respectively.

(p) Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. These short-term and leases of low value assets, the



Notes to Consolidated Financial Information

Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

(q) 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 units (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. Where 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 net selling price, recent market

transactions are taken into account, if available. 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.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised 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 recognised 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 recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(r) Fair Value Measurement

The group measures certain financial instruments 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 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 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 group uses valuation techniques that are appropriate in the circumstances and for which

Notes to Consolidated Financial Information

sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial information are categorized 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 consolidated financial information on recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is material to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group 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.

(s) 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 and financial liabilities are recognized when the group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Financial Assets

Initial recognition and measurement

All financial assets (other than equity investment in subsidiaries) 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 group commits to purchase or sell the asset.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost using the effective interest method or fair value, depending on the classification of the financial assets.

Classification of Financial Assets

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option:

- Business model test: the objective of the group's business model is to hold the financial asset to collect the contractual cash flows.
- Cash flow characteristic test: the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

Equity investment in Other Entities at fair value through Profit or loss (FVTPL)

Investment in equity instrument of other than subsidiaries, joint ventures and associates are



Notes to Consolidated Financial Information

classified at fair value through profit or loss, unless the group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets that do not meet the amortized cost criteria or fair value through other comprehensive income criteria are measured at fair value through profit or loss. A financial asset that meets the amortized cost criteria or fair value through Other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or materially reduces a measurement or recognition inconsistency that would arise from measuring assets and liabilities or recognizing the gains or losses on them on different bases.

Financial assets which are fair valued through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on Re measurement recognized in profit or loss.

Trade & Other Receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment.

Impairment of Financial Assets

The group assesses impairment based on expected credit losses (ECL) model to the following:

- financial assets measured at amortised cost
- financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- the twelve month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within twelve months after the reporting date); or
- full life time expected credit losses (expected credit losses that result from all possible default event over the life of the financial instrument).

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of Financial Assets

A financial asset is derecognised only when:

- The group has transferred the rights to receive cash flows from the financial asset or

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients or
- The rights to receive cash flows from the asset has expired

Financial Liabilities

Classification of Debt or Equity

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

Equity Instruments

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

Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through Statement of Profit and Loss

Trade and Other Payables

Trade and other payables represent liabilities for goods or services provided to the group prior to the end of financial year which are unpaid.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of Profit Loss.

Notes to Consolidated Financial Information

Derecognition of Financial Liabilities

The group derecognizes financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(t) Earnings Per Share:

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential

equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(u) Dividend Distribution:

Dividends paid are recognized in the period in which the interim dividends are approved by the Board of Directors of the Company, or in respect of the final dividend when approved by shareholders of the Company.

(v) Recent pronouncements:

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

(w) Previous year figures have been rearranged or regrouped where ever necessary.



Notes to Consolidated Financial Information

Note No: 3 Property Plant & Equipment

(Rs. in millions)

Description	Freehold Land	Buildings	Plant and Machinery	Furniture and Fittings	Office Appliances	Computers	Vehicles	Total
Cost								
As at 1st April, 2022	1,026.77	919.50	1,440.35	63.50	28.84	21.20	24.45	3,524.61
Additions	32.76	0.37	128.98	1.03	1.00	1.43	12.91	178.48
Re-classification	-	-	-	-	(0.78)	0.85	-	0.07
Disposals/write off	-	-	7.42	-	0.69	0.90	0.82	9.83
As at 31st March, 2023	1,059.53	919.87	1,561.91	64.53	28.37	22.58	36.54	3,693.33
Additions	-	97.02	191.74	1.49	1.07	2.91	7.91	302.14
Re-classification	-	3.30	(3.42)	0.11	-	-	-	(0.01)
Disposals/write off	-	-	31.29	-	0.52	0.75	5.97	38.53
As at 31st March, 2024	1,059.53	1,020.19	1,718.94	66.13	28.92	24.74	38.48	3,956.93
Accumulated Depreciation								
As at 1st April, 2022	-	81.52	351.90	15.56	10.39	6.47	10.76	476.60
Charge for the year	-	30.57	102.10	6.32	4.86	3.32	3.97	151.14
Re-classification	-	-	-	-	(0.04)	0.11	-	0.07
Disposals/write off	-	-	5.03	-	0.67	0.78	0.79	7.27
As at 31st March, 2023	-	112.09	448.97	21.88	14.54	9.12	13.94	620.54
Charge for the year	-	30.71	108.24	6.26	4.95	3.44	4.23	157.83
Re-classification	-	0.21	(0.23)	0.02	-	-	-	(0.00)
Disposals/write off	-	-	22.45	-	0.42	0.46	2.48	25.81
As at 31st March, 2024	-	143.01	534.53	28.16	19.07	12.10	15.69	752.56
Net Book Value								
As at 31st March, 2024	1,059.53	877.18	1,184.41	37.97	9.85	12.64	22.79	3,204.37
As at 31st March, 2023	1,059.53	807.78	1,112.94	42.65	13.83	13.46	22.60	3,072.79

Certain borrowings of the Company have been secured against Property, Plant and Equipment (Refer Note No. 17 & 21)

Notes to Consolidated Financial Information

Note No: 4 Capital Work in Progress- Tangible

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance at the beginning	102.09	102.39
Additions	100.63	71.87
Less: Capitalised during the year	103.20	72.17
Reversal of Impairment	-	-
Balance at the end	99.52	102.09

There are no capital work in progress where completion is overdue against original planned timelines as on 31st March, 2024.

The following table presents the ageing schedule for Capital-work-in progress-

(Rs. in millions)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Capital work in progress	99.52	-	-	-	99.52
	99.52	-	-	-	99.52
As at March 31, 2023					
Capital work in progress	81.78	20.31	-	-	102.09
	81.78	20.31	-	-	102.09

Note No: 5 Right of Use Assets

(Rs. in millions)

Particulars	Amount
Cost	Building
As at 1st April, 2023	66.74
Additions	88.73
Disposals/write off	-
As at 31st March, 2024	155.47
Accumulated Depreciation	
As at 1st April, 2023	57.30
Additions	20.90
Disposals/write off	-
As at 31st March, 2024	78.20
Net Book Value	
As at 31st March, 2024	77.27
As at 31st March, 2023	9.44

Note No: 6 Intangible Assets

(Rs. in millions)

Particulars	Computer Software	Trademark	Technical Know-How	Total
Cost				
As at 1st April, 2022	28.51	0.38	13.30	42.19
Additions	-	-	16.16	16.16
Re-classification	(0.07)	-	-	(0.07)
Disposals/write off	2.26	-	-	2.26
As at 31st March, 2023	26.18	0.38	29.46	56.02
Additions	1.50	-	9.33	10.83
Re-classification	-	-	-	-
Disposals/write off	-	-	-	-
As at 31st March, 2024	27.68	0.38	38.79	66.85



Notes to Consolidated Financial Information

(Rs. in millions)

Particulars	Computer Software	Trademark	Technical Know-How	Total
Accumulated Depreciation				
As at 1st April, 2022	9.98	0.24	4.70	14.92
Additions	2.92	0.05	7.55	10.52
Re-classification	(0.07)	-	-	(0.07)
Disposals/write off	1.96	-	-	1.96
As at 31st March, 2023	10.87	0.29	12.25	23.41
Additions	3.00	0.05	8.49	11.54
Re-classification	-	-	-	-
Disposals/write off	-	-	-	-
As at 31st March, 2024	13.87	0.34	20.74	34.95
Net Book Value				
As at 31st March, 2024	13.81	0.04	18.05	31.90
As at 31st March, 2023	15.31	0.09	17.21	32.61

Note No: 7 Intangible Assets under Development

(Rs. in millions)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balance at the beginning	15.88	25.41
Additions	11.22	4.75
Less: Capitalised during the year	9.57	14.28
Reversal of Impairment	-	-
Balance at the end	17.53	15.88

The following table presents the ageing schedule for Capital-work-in progress-

(Rs. in millions)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024					
Capital work in progress	17.53	-	-	-	17.53
	17.53	-	-	-	17.53
As at March 31, 2023					
Capital work in progress	9.57	6.31	-	-	15.88
	9.57	6.31	-	-	15.88

Note No: 8 Financial Assets

Note No: 8 (i) Non Current Investments

Particulars	Number of Shares		Amount (Rs. in millions)	
	As at	As at	As at	As at
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Investment in Equity Shares				
A. In Others - At FVTPL				
- Bank of Maharashtra 10/-	1,900.00	1,900.00	0.12	0.02
Total (A)	1,900.00	1,900.00	0.12	0.02
Aggregate Value of Unquoted Investments				
Aggregate Value of Quoted Investments			0.12	0.02
Aggregate Market Value of Quoted Investments			0.12	0.02
Aggregate Amt of Impairment in Value of Investments			-	-

*During the FY 23-24, the company has liquidated its investment in WOS, SMK Europe Unipessoal, LDA.

Notes to Consolidated Financial Information

Note No: 8 (ii) Other Financial Assets

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balances with Bank		
- in Deposit having maturity for more than 12 months	12.65	272.57
Security Deposit with Vendors	24.35	23.85
Total	37.00	296.42

Note No: 9 Inventories

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Raw Materials	195.64	164.52
Raw Material in Transit	7.84	30.85
Finished Goods	176.67	109.52
Work in Progress	22.04	45.21
Total	402.19	350.10

Certain borrowings of the Company have been secured against Inventories (Refer Note No. 17 & 21).

For Valuation, refer Note 2 k of Accounting Policies

Note No: 10 Trade Receivables

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Carried at Amortised Cost		
From Others*		
- Secured, considered good	7.41	6.23
- Unsecured, considered good	276.23	306.45
- With significant increase in credit risk	-	1.54
Total Receivable	283.64	314.22
Less: Credit impaired	-	(1.54)
Total	283.64	312.68

*It includes amount due from Related party (Bikerz US Inc) Rs. 5.80 Mn for FY 23-24 (Previous Year - Rs. 5.84 Mn)

Certain borrowings of the Company have been secured against Trade Receivables (Refer Note No. 17 & 21).

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

Ageing of Trade Receivables as at 31st March, 2024

(Rs. in millions)

Particulars	Outstanding for following periods from the date of payment					TOTAL
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	277.18	4.22	1.58	-	0.66	283.64
(ii) Undisputed Trade Receivables-Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL	277.18	4.22	1.58	-	0.66	283.64



Notes to Consolidated Financial Information

Ageing of Trade Receivables as at 31st March, 2023

(Rs. in millions)

Particulars	Outstanding for following periods from the date of payment					TOTAL
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- considered good	295.77	16.80	0.01	-	-	312.58
(ii) Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	1.64	1.64
TOTAL	295.77	16.80	0.01	-	1.64	314.22

Note No: 11 Cash and Cash Equivalents

(Rs. in millions)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash in hand	0.01	0.05
Balances with Bank		
- in Deposit having maturity for less than 3 months	346.50	216.37
- in Current accounts	9.21	32.31
Total	355.72	248.73

Note No: 12 Other Bank Balances

(Rs. in millions)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Bank		
- in Deposit having maturity for more than 3 months but less than 12 months	227.69	46.61
- in Unpaid Dividend account	2.12	1.82
Total	229.81	48.43

Note No: 13 Other Financial Assets

(Rs. in millions)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Carried at Amortised Cost		
Unsecured, considered good		
Advances to employees	2.91	1.01
Total	2.91	1.01

Note No: 14 Other Current Assets

(Rs. in millions)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured, considered good		
Advance to Vendors		
- Capital Advance	18.96	43.43
- Others	21.62	41.83
Export Benefit Receivable	2.14	2.55
Prepaid Expenses	10.20	11.69
Balance of Cenvat/GST	11.74	1.88
Other Assets	48.99	19.08
Total	113.65	120.46

Notes to Consolidated Financial Information

Note No: 15 Equity Share Capital

Particulars	Number of Shares		Amount (Rs. in millions)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Authorised Capital				
Equity shares of Rs. 5/- each*	5,00,00,000	5,00,00,000	250.00	250.00
Issued Capital				
Equity share of Rs. 5/- each*	1,96,76,700	1,96,76,700	98.38	98.38
Subscribed and Fully Paid up				
Equity share of Rs. 5/- each*	1,96,76,700	1,96,76,700	98.38	98.38

In the EGM held on 7th July, 2018, Bonus shares were issued in the ratio of 8 equity shares for every 1 equity share held.

A Reconciliation of Number of Equity Shares Outstanding

Particulars	Number of Shares		Amount (Rs. in millions)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Balance at the beginning of the year	1,96,76,700	1,96,76,700	98.38	98.38
Add: Effect due to Share Split	-	-	-	-
Add: Effect due to Bonus Issue	-	-	-	-
Less: Cancelled during the year	-	-	-	-
Balance at the end of the year	1,96,76,700	1,96,76,700	98.38	98.38

B Rights, Preferences and Restrictions attached to Equity Shares.

The Company has one class of Equity Shares with a par value of Rs. 5/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion of their holding. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the Shareholders.

C Details and Shareholders holding more than 5% Equity Shares.

Particulars	Number of Shares		Percentage (%)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Equity shares of Rs. 5/- each fully paid				
Madhu Bhushan Khurana	1,08,67,780	1,08,72,880	55.23%	55.26%
Sidhartha Bhushan Khurana	28,44,680	28,34,480	14.46%	14.41%
Chand Khurana	16,43,700	16,48,800	8.35%	8.38%

D Details of promoters' shareholding

Particulars	Number of Shares		Percentage (%)	
	As at	As at	As at	As at
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Equity shares of Rs. 5/- each fully paid				
Madhu Bhushan Khurana	1,08,67,780	1,08,72,880	55.23%	55.26%
Sidhartha Bhushan Khurana	28,44,680	28,34,480	14.46%	14.41%

In the EGM held on 7th July, 2018, Bonus shares were issued in the ratio of 8 equity shares for every 1 equity share held.



Notes to Consolidated Financial Information

Note No: 16 Other Equity

(Rs. in millions)

Particulars	Reserve & Surplus			TOTAL
	Securities Premium	General Reserves	Retained Earnings	
As at 1st April, 2022	-	82.74	2,927.78	3,010.52
Addition:				
Profit for the year	-	-	331.47	331.47
Other Comprehensive Income (net of tax)	-	-	(1.14)	(1.14)
Less:				
Dividend	-	-	59.03	59.03
As at 31st March, 2023	-	82.74	3,199.08	3,281.82
As at 1st April, 2023	-	82.74	3,199.08	3,281.82
Addition:				
Profit for the year	-	-	572.27	572.27
Other Comprehensive Income (net of tax)	-	-	0.84	0.84
Less:				
Dividend	-	-	78.71	78.71
Derecognition of reserves on liquidation of WOS	-	-	0.55	0.55
As at 31st March, 2024	-	82.74	3,692.93	3,775.67

Note No: 17 Non-Current Borrowings

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Term Loans from Banks (Secured)		
Vehicle Loan	6.13	12.38
Other Term Loan	-	293.40
Total	6.13	305.78
Less: Current Maturities on Non Current Borrowings		
- Vehicle Loan	4.14	6.25
- Other Term Loan	-	100.24
Total	4.14	106.49
Total Non-Current Borrowings	1.99	199.29

A. Term Loan From HDFC (Sanctioned Rs. 480 Mn. Balance as on 31st March, 2024 - Rs. Nil)

B. Term Loan From HDFC (Sanctioned Rs. 595 Mn. Balance as on 31st March, 2024 - Rs. Nil)

Term Loan having balance of **Rs. 263.40 Mn** as on 31st March, 2023 has been fully pre-paid during the FY 23-24.

C. Vehicle Loans

Security Terms:

Secured against hypothecation of specified vehicles of the company.

Interest Rates:

Applicable rate of interest is 7.90% to 8.50%

Repayment Terms:

Vehicle loans are repayable within 39/60 equal monthly installments.

Notes to Consolidated Financial Information

Note No: 18 Other Non-Current Financial Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Carried at Amortised Cost		
Security Deposit from Dealers	29.72	26.65
Total	29.72	26.65

Note No: 19 Non-Current Provisions

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Employee Benefits		
- Gratuity	35.15	30.02
- Leave Encashment	10.22	10.97
Total	45.37	40.99

Note No: 20 Deferred Tax Liabilities (Net)

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deferred Tax Liabilities:		
Impact of difference between tax depreciation and depreciation	182.85	167.14
Total Deferred Tax Liabilities	182.85	167.14
Deferred Tax Assets:		
Disallowance under the Income Tax Act, 1961	17.24	11.73
Total Deferred Tax Assets	17.24	11.73
Net Deferred Tax Liabilities/(Asset)	165.61	155.41

Reconciliation of Deferred Tax Liabilities (Net)

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deferred Tax Liabilities:		
Impact of difference between tax depreciation and depreciation		
Opening Balance	167.14	152.48
Movement during the year	15.71	14.66
Closing Balance	182.85	167.14
Deferred Tax Assets:		
Disallowance under the Income Tax Act, 1961		-
Opening Balance	11.73	18.58
Movement during the year	5.51	(6.85)
Closing Balance	17.24	11.73
Net Deferred Tax Liabilities/(Asset)	165.61	155.41

Note No: 21 Current Borrowings

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Loan Repayable on Demand		
From Banks (Secured*)		
- Cash Credit	-	-
- Current Maturities on Borrowings from Banks (Refer Note No. 17)	4.14	106.49
Total	4.14	106.49

Overdraft limit of Rs. 10 million has been sanctioned by HDFC Bank and balance against this overdraft limit as at year end is positive. Overdraft limit of Rs. 200 million has been sanctioned by HDFC Bank against FDR and balance against this overdraft limit as at year end is positive.



Notes to Consolidated Financial Information

Note No: 22 Trade Payables

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Dues Owed to Micro, Small and Medium Enterprises*	86.29	26.26
Dues of Other than MSMEs	219.30	320.75
Total	305.59	347.01

* The above information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company (Refer Note No. 35)

Ageing of Trade Payables as at 31st March, 2024.

(Rs. in millions)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	85.59	0.70	-	-	86.29
(ii) Others	219.30	-	-	-	219.30
(iii) Disputed MSME	-	-	-	-	-
(iv) Others MSME	-	-	-	-	-
TOTAL	304.89	0.70	-	-	305.59

Ageing of Trade Payables as at 31st March, 2023

(Rs. in millions)

Particulars	Outstanding for following periods from due date of payment				TOTAL
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	26.26	-	-	-	26.26
(ii) Others	320.71	0.04	-	-	320.75
(iii) Disputed MSME	-	-	-	-	-
(iv) Others MSME	-	-	-	-	-
TOTAL	346.97	0.04	-	-	347.01

Note No: 23 Other Current Financial Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
At Amortised Cost		
Payables on purchase of Property, Plant & Equipment	13.69	7.11
Employee Related Liabilities	84.53	77.81
Expenses Payable	59.10	89.13
Others Payable	1.86	2.14
Unpaid Dividend	2.07	1.77
Total	161.25	177.96

Note No: 24 Other Current Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Advances received from Customers	59.12	55.05
Statutory Dues	87.53	71.20
Total	146.65	126.25

Notes to Consolidated Financial Information

Note No: 25 Current Provisions

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Employee Benefits		
- Gratuity	16.39	15.41
- Leave Encashment	2.48	2.24
Total	18.87	17.65

Note No: 26 Current Tax Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Income Tax Payable	20.86	22.59
Total	20.86	22.59

Note No: 27 Revenue from operations

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Sale of Goods		
- Inland Sales	4,944.60	4,476.80
- Exports Sales	531.98	678.99
Total Sales	5,476.58	5,155.79
Less : Discount & Incentives	186.35	164.10
Net Sales	5,290.23	4,991.69

Note No: 28 Other Income

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Other income - operative		
Interest Income	36.69	18.92
Service Income-Domestic	1.97	2.33
Service Income-Export	2.60	19.60
Miscellaneous Income	3.46	3.65
Export Incentive	10.15	18.13
Profit on account of Currency Fluctuation	11.65	10.48
Other income - Non-operative		
Provision for Bad Debts written back	1.54	-
Gain on Investments carried at Fair Value through Profit & Loss	0.09	-
Total	68.15	73.11

Note No: 29 (Increase)/decrease in Inventories of Finished Goods and Work-in-Progress

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Inventory at the beginning of the year		
Finished Goods	109.52	132.34
Work in Progress	45.20	50.73
Total	154.72	183.07
Less: Inventory at the end of the year		
Finished Goods	176.67	109.52
Work in Progress	22.04	45.20
Total	198.71	154.72
Net (Increase)/Decrease	(43.99)	28.35



Notes to Consolidated Financial Information

Note No: 30 Employee Benefit Expenses

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Salaries, Wages and Bonus	637.23	596.62
Contribution to Provident Fund & Other Fund	39.74	37.88
Employees Welfare Expenses	31.66	18.98
Total	708.63	653.48

Note No: 31 Finance Cost

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Interest on:		
- Term Loan	6.58	23.13
- Cash Credit / Overdraft	0.09	0.01
- Vehicle Loan	0.73	0.98
- Delayed Payment to MSME	0.96	1.21
- HSIIDC	-	-
- Dealer Security Deposit	1.29	1.29
- Lease Liability	6.40	1.53
- Others	-	0.06
Total	16.05	28.21

Note No: 32 Depreciation and Amortisation Expense

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Depreciation of Property, Plant & Equipment	157.84	151.14
Amortisation of Right of use assets	20.90	19.36
Amortisation of intangible assets	11.54	10.51
Total	190.28	181.01

Note No: 33 Other Expenses

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Labour Charges	267.28	192.01
Power & Fuel	242.18	236.63
Stores Consumed	117.54	74.64
Cartage Outward	265.86	262.40
Insurance Expenses	11.64	12.48
Repair and Maintenance		
- Plant & Machinery	57.03	43.81
- Building	39.10	11.39
- Others	5.58	5.64
Payment to Auditors	0.50	0.50
Legal & Professional Expenses	33.41	32.38
Corporate Social Responsibility (CSR) expenses	12.35	15.70
Travelling & Conveyance Expenses	21.05	16.88
Security & housekeeping Exp	25.41	25.55
Commission on Sales	23.10	26.95
Advertisement & Sales Promotion	84.16	97.23
(Gain)/Loss on Sale of Assets	7.25	1.60
Bank Charges	1.27	0.92
Miscellaneous Expenses	79.15	63.48
Total	1,293.86	1,120.19

Notes to Consolidated Financial Information

Note No: 34 Earnings Per Share (EPS)

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

Diluted EPS amounts are calculated by dividing profit attributable to equity holders of the Company by 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, unless the effect of potential dilutive equity share is antidilutive.

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

Particulars	(Rs. in millions)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Profit after tax for calculation of EPS (Rs. In million) (A)	572.27	331.47
Number of equity shares post split	1,96,76,700	1,96,76,700
Add: Effect of Bonus issue	-	-
Number of equity shares for calculating basic & diluted EPS (B)	1,96,76,700	1,96,76,700
Face Value per share (Amount in Rs.)	5.00	5.00
Basic Earning per share (Amount in Rs.) (A/B)	29.08	16.85
Diluted Earning per share (Amount in Rs.) (A/B)	29.08	16.85

Note No: 35 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Particulars	(Rs. in millions)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to MSME	86.29	26.26
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.96	1.21
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Note No: 36 Segment Information

The Company is primarily engaged in the business of "manufacturing and sale of helmets and two wheeler accessories" which in context of Ind AS 108 "Segment Reporting" as referred to in Companies (Indian Accounting Standards) Rules, 2015 is considered as the only Business Segment.



Notes to Consolidated Financial Information

Note No: 37 Disclosure relating to Corporate Social Responsibility (CSR) Expenditure

In light of Section 135 of the Companies Act, 2013 the Company has carried out the following expenses on Corporate Social Responsibility (CSR) activities aggregating to Rs. 12.35 millions as on 31st March, 2024 :-

(Rs. in millions)

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
(i) Gross amount required to be spent by the Company during the year	12.35	15.70

(Rs. in millions)

Particulars	Paid	Unspent at Year end	Total
(ii) Amount to be spent during the year ending on 31st March, 2024:			
1. Construction/acquisition of any asset	-	-	-
2. On purposes other than 1 above	12.35	-	12.35
(ii) Amount spent during the year ending on 31st March, 2023:			
1. Construction/acquisition of any asset	-	-	-
2. On purposes other than 1 above	15.70	-	15.70

Nature of Activities taken under CSR :

Activities related to Preventive Healthcare, Education, Environmental Sustainability, Contribution to Prime Minister National Relief Fund

Note No: 38 Related Party Disclosures

The list of related parties as identified by the management is as under:

Wholly Owned Foreign Subsidiary Company:

- SMK EUROPE-UNIPESSOAL, LDA*

* During the FY 23-24, the company has liquidated its investment in WOS, SMK EUROPE-UNIPESSOAL, LDA

Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence

- Studds Foundation
- Bikerz INC (formerly known as Studds Canada)
- Bikerz US INC

Key Management Personnel & their Relatives:

- Mr. Madhu Bhushan Khurana	Chairman and Managing Director
- Mrs. Chand Khurana	Wife of Chairman and Managing Director
- Mr. Sidhartha Bhushan Khurana	Managing Director
- Mrs. Garima Khurana	Wife of Managing Director
- Mrs. Shilpa Arora	Daughter of Chairman and Managing Director
- Mrs. Pallavi Saluja	Independent Director
- Mr. Shanker Dev Choudhry	Independent Director
- Mr. Pankaj Duhan	Independent Director
- Mr. Manish Mehta	Chief Financial Officer
- Mr. Hitesh Wadhera (resigned w.e.f 11/11/2023)	Company Secretary
- Mrs. Asha Mittal (appointed w.e.f 02/03/2024)	Company Secretary

Notes to Consolidated Financial Information

Following transactions were carried out with related parties in the ordinary course of business during the year Ended 31st March, 2024 and 31st March, 2023 :-

(Rs. in millions)

S. No.	Name of the Party	Nature of Transaction	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Enterprise with Significant Influence			
	Bikerz US INC	Sale of Goods	11.08	10.94
		Marketing Support Services availed	0.91	2.62
		Reimbursement given for Space Booking	-	0.33
		Balance Receivable/(Payable)	5.80	5.84
	SMK EUROPE-UNIPESSOAL, LDA	Proceeds on account of Liquidation of Investment	25.82	-
2	Key Management Personnel & their Relatives			
	Mr. Madhu Bhushan Khurana	Director's Remuneration:		
		- Short-term employee benefits	34.42	21.81
		- Dividend	43.47	32.62
		- Balance Receivable/(Payable)	(13.25)	(5.75)
	Mrs. Chand Khurana	Salary:		
		- Short-term employee benefits	3.55	3.01
		- Dividend	6.57	4.95
		- Balance Receivable/(Payable)	(0.19)	(0.16)
	Mr. Sidhartha Bhushan Khurana	Director's Remuneration:		
		- Short-term employee benefits	34.46	22.54
		- Dividend	11.38	8.50
		- Balance Receivable/(Payable)	(13.02)	(5.80)
	Mrs. Garima Khurana	Salary:		
		- Short-term employee benefits	1.89	1.59
		- Dividend	0.14	0.11
		- Balance Receivable/(Payable)	(0.01)	(0.10)
	Mrs. Shilpa Arora	Dividend	0.36	0.27
	Mrs. Pallavi Saluja	Sitting Fees	0.07	0.05
	Mr. Shanker Dev Choudhry	Sitting Fees	0.05	0.04
	Mr. Pankaj Duhan	Sitting Fees	0.04	0.04
	Mr. Manish Mehta	Salary	4.68	4.55
	Mr. Hitesh Wadhera	Salary	2.07	3.04
	Mrs. Asha Mittal	Salary	0.27	-

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs through banking channel. There have been no guarantees provided or received for any related party receivables or payables. For the period/year ended 31st March, 2024 and 31st March, 2023 the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note No: 39 Commitments and Contingencies

(i) Commitments (Net of Advances)

Estimated amount of contracts remaining to be executed on capital account and not provided for are as follows:-

(Rs. in millions)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	14.57	-



Notes to Consolidated Financial Information

(ii) Contingent Liabilities

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Service Tax demand	3.17	3.17
Goods and Services Tax demand	2.75	2.75
Goods and Services Tax demand - FY 18-19	2.28	-
Income Tax demand - AY 20-21	4.55	4.55
Bank Guarantees/Letter of Credits	37.10	22.87
Claims against the company lodged by various parties (Includes Labour & Vendors)	2.47	1.18

- (a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (b) The company does not expect any material financial impact in respect of the above contingent liabilities.
- (c) There are certain cases against the company, the amount of which can not be quantified.

Note No: 40 Employee Benefits

(A) Defined Contribution Plans as per Ind AS 19 Employee Benefits:

Contribution to Defined Contribution Plan recognised as expense is as under:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Employer's Contribution to Provident Fund & Pension*	29.98	28.14
Employer's Contribution to ESI*	8.66	8.72

* Included in Contribution to provident and other funds under Employee Benefits Expense (Refer Note No. 30).

(B) Defined Benefit Plans and Other Long Term Benefits as per Ind AS 19 Employee Benefits:

The Company has defined benefit plan namely Gratuity plan which is governed by payment of Gratuity Act, 1972 and other long term benefits namely Leave Encashment. The liability for both the defined benefit plan is computed using the projected unit credit method by a qualified actuary. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

I. Disclosures in Respect of Gratuity:

(i) Present value of Defined Benefit Obligation:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Present value of obligation as at the beginning	45.44	38.19
Interest Cost	3.27	2.63
Past Service Cost	-	-
Current Service Cost	5.94	5.52
Benefits Paid	(1.98)	(3.55)
Re-measurement (or Actuarial) (Gain)/Loss	(1.12)	2.64
Present Value of Obligation as at the end	51.55	45.43
Current Liability	16.39	15.41
Non-Current Liability	35.16	30.02

Notes to Consolidated Financial Information

(ii) Fair Value of Plan Assets:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Fair Value of Plan Assets as at the beginning	-	-
Interest Income	-	-
Employer's Contribution	-	-
Benefits Paid	-	-
Actuarial Gains/(Losses)	-	-
Fair Value of Plan Assets as at the end	-	-

(iii) Assets and Liabilities recognized in the Balance Sheet:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Present Value of Obligation at the end	51.55	45.43
Fair Value of Plan Assets at the end	-	-
Amount recognised in Balance Sheet	51.55	45.43

(iv) Net Employee Benefit Expense (recognized in Employee Cost):

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Current Service Cost	5.94	5.52
Past Service Cost	-	-
Net Interest Cost on Net Defined Benefit Liability	3.27	2.63
Net Benefit Expense recognized in Statement of Profit and Loss	9.21	8.15

(v) Amount recognised in Other Comprehensive Income:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Actuarial (Gain)/Loss arising from:		
Effect of experience adjustment (Gains)/Losses	(1.40)	1.55
Difference in Present Value of Obligations	0.27	1.09
Components of defined benefit costs recognised in other comprehensive income	(1.13)	2.64

(vi) Funding Pattern

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Effect of experience adjustment (Gains)/Losses	Nil	Nil

(vii) The principal assumptions used in determining defined benefit obligations are shown below:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Discount Rate	7.24%	7.35%
Attrition Rate	12.00%	12.00%
Salary Growth Rate	10.00%	10.00%
Mortality Rate	IAL 2012-14	IAL 2012-14

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Notes to Consolidated Financial Information

(viii) A quantitative sensitivity analysis for significant assumption

(a) Discount Rate

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Change in assumption (1 % p.a. increase)		
Impact on defined benefit obligation	(2.38)	(2.07)
Change in assumption (1 % p.a. decrease)		
Impact on defined benefit obligation	2.66	2.31

(b) Salary growth rate

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Change in assumption (2 % p.a. increase)		
Impact on defined benefit obligation	5.37	4.68
Change in assumption (2 % p.a. decrease)		
Impact on defined benefit obligation	(4.50)	(3.90)

(c) Attrition Rate

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Change in assumption (2 % p.a. increase)		
Impact on defined benefit obligation	(0.98)	(0.89)
Change in assumption (2 % p.a. decrease)		
Impact on defined benefit obligation	1.17	1.06

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(ix) Defined benefit liability and employer contributions

Expected benefit payments are as follows:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Within the next 12 months	16.54	15.55
Between 2 and 5 years	16.58	14.49
Between 5 and 10 years	14.92	13.46
After 10 years	32.46	27.96

(x) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:-

- (a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.
- (b) **Salary inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- (c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long career employee.

Notes to Consolidated Financial Information

II. Disclosures in Respect of Leave Encashment and Compensated Absences (Unfunded):

(a) Movement in the present value of the defined benefit obligation:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Present Value of Obligation as at the beginning	12.92	10.24
Current Service Cost	7.27	7.15
Interest Cost	0.69	0.50
Re-measurement (or Actuarial) (Gain)/Loss	(1.50)	1.78
Benefits Paid	(6.97)	(6.75)
Present Value of Obligation as at the end	12.41	12.92
Current Liability	2.20	1.95
Non-Current Liability	10.21	10.97

(b) Net Employee Benefit Expense (recognized in Employee Cost):

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Current Service Cost	7.27	7.15
Past Service Cost	-	-
Interest Cost	0.69	0.50
Re-measurement (or Actuarial) (Gain)/Loss	(1.50)	1.78
Net benefit expense recognized in statement of Profit and Loss	6.46	9.43

(c) The principal assumptions used in determining defined benefit obligations are shown below:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Discount Rate	7.24%	7.35%
Attrition Rate	12.00%	12.00%
Salary Growth Rate	10.00%	10.00%
Mortality Rate	IAL 2012-14	IAL 2012-14

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(d) Reconciliation of Fair Value of Assets and Obligation:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Fair Value of Plan Assets at the end	-	-
Present Value Obligation at the end	12.41	12.92
Amount Recognised in Balance Sheet	12.41	12.92

Note No: 41 Lease related disclosures

The Company has leases for office buildings, warehouses and manufacturing facilities. With the exception of short-term leases, leases of low-value underlying assets and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.



Notes to Consolidated Financial Information

A) Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Short term leases & low value assets	-	-
Total	-	-

B) Lease under Ind AS 116 for the year ended 31st March, 2024

The Detail of the Right-of-Use assets held by the Company is as follows:

(Rs. in millions)

Particulars	Depreciation charge for the year	Net carrying amount
Building & Warehousing facilities	20.90	77.27
Total	20.90	77.27

C) Amount recognised in Statements of Profit & Loss:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Depreciation on right-of-use assets	20.90	19.36
Interest on lease liabilities	6.40	1.52
Rental expenses relating to short term leases and Low value assets	-	-
Total	27.30	20.88

D) Amount recognised in Statements of cash flows:

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Total Cash out flow for the leases	71.37	(14.74)

E) The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2023 is 9%.

F) Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

(Rs. in millions)

31st March, 2024	Minimum lease payments due			Total
	Within 1 year	1-2 years	More than 2 Years	
Lease payments	25.52	22.58	49.65	97.75
Interest expense	6.58	4.88	4.76	16.22
Net present values	18.94	17.70	44.89	81.53

Notes to Consolidated Financial Information

Note No: 42 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(Rs. In millions)				
Particulars	31 st March, 2024		31 st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Non-Current Investments*	0.12	0.12	0.02	0.02
Trade Receivables	283.64	283.64	312.68	312.68
Cash & Cash Equivalents	355.72	355.72	248.73	248.73
Other Bank Balances	229.81	229.81	48.43	48.43
Other Financial Assets	39.90	39.90	297.43	297.43
Total Financial Assets	909.19	909.19	907.29	907.29

* Does not include investments in subsidiary which are measured at cost in accordance with Ind AS 101 and Ind AS 27.

(Rs. In millions)				
Particulars	31 st March, 2024		31 st March, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Non-Current Borrowings	1.99	1.99	199.29	199.29
Other Non-Current Financial Liabilities	29.72	29.72	26.65	26.65
Current Borrowings	4.14	4.14	106.49	106.49
Trade Payables	305.59	305.59	347.01	347.01
Other Current Financial Liabilities#	161.25	161.25	177.96	177.96
Total Financial Liabilities	502.69	502.69	857.40	857.40

including current maturities of non-current borrowings

C. Fair value measurement hierarchy for Assets and Liabilities

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:-

Level 1

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

Level 3

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

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

(Rs. in millions)		
Particulars	31 st March, 2024	31 st March, 2023
Financial Assets	-	-
Financial investments as FVTPL	-	-
Investment in Quoted Shares (Level 1)	0.12	0.02
Investment in Unquoted Shares (Level 1)	-	-

The management assessed that fair values of cash and cash equivalents, trade receivables, other bank balances, other current financial assets, trade payables and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of security deposits and borrowings are considered to be the same as their fair values, as there is an immaterial change in the lending rates.

There have been no transfer from one level to another level of valuation during the above periods.



Notes to Consolidated Financial Information

Note No: 43 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, other bank balances, investment in equity shares and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management has assigned the responsibility to oversee the management of these risks to its treasury team. The treasury team assesses the financial risks and takes appropriate action to mitigate those risks. The treasury team provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. 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, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits and investment in equity shares.

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

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

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 debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and 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:

(Rs. in millions)

Particulars	Increase/ decrease in basis points	Year Ended 31st March, 2024	Year Ended 31st March, 2023
INR Loans*	+ 100 Basis Points	-	-
INR Loans*	- 100 Basis Points	-	-

*Does not include those loans whose rate of Interest is fixed.

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).

Foreign Currency Exposure that have not been hedged by derivative Instrument are given below.

(Rs. in millions)

Liabilities/Assets	FOREIGN CURRENCY	
	As at 31st March, 2024	As at 31st March, 2023
Liabilities		
USD	1.02	0.40
EURO	0.27	0.28
Assets		
USD	0.79	1.09
EURO	0.17	0.16

Notes to Consolidated Financial Information

(Rs. in millions)

Liabilities/Assets	INR	
	As at	As at
	31 st March, 2024	31 st March, 2023
Liabilities		
USD	85.09	35.50
EURO	24.74	9.41
Assets		
USD	65.57	89.23
EURO	15.00	13.43

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD and EURO, 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. The Company's exposure to foreign currency changes for all other currencies is as under:

(Rs. in millions)

Currency	Change in rate	Effect on profit before tax for the year	
		31 st March, 2024	31 st March, 2023
USD	Appreciation in INR by 5%	0.98	(2.69)
USD	Depreciation in INR by 5%	(0.98)	2.69
EURO	Appreciation in INR by 5%	0.49	(0.20)
EURO	Depreciation in INR by 5%	(0.49)	0.20

Credit Risk

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

Trade Receivables

Customer credit risk is being driven by Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The management believes that the trade receivables as on 31st March, 2024 and 31st March, 2023 are not subject to any further credit risk. Accordingly, no new credit losses are being accounted for.

Ageing of Trade Receivables

(Rs. in millions)

Particulars	31 st March, 2024	31 st March, 2023
0-6 Months	277.18	295.77
6-12 Months	4.22	16.80
More than 12 months	2.24	1.65
Total	283.64	314.22



Notes to Consolidated Financial Information

Balances with Banks

Credit risk from balances with banks and financial institutions 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. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31st March, 2024 and 31st March, 2023 is the carrying amounts of balances with banks.

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of long term bank loans and short term borrowings etc. 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.

(Rs. in millions)

Nature of Liability	Up to 1 Year	1 to 5 years	More than 5 years	Total
As at 31st March, 2024				
Borrowings	-	1.99	-	1.99
Other Non-Current Financial Liabilities	-	29.72	-	29.72
Lease Liabilities	18.94	62.59	-	81.53
Current Borrowings	4.14	-	-	4.14
Trade Payables	305.59	-	-	305.59
Other Current Financial Liabilities	161.25	-	-	161.25
Total	489.92	94.30	-	584.22

(Rs. in millions)

Nature of Liability	Up to 1 Year	1 to 5 years	More than 5 years	Total
As at 31st March, 2023				
Borrowings	-	199.29	-	199.29
Other Non-Current Financial Liabilities	-	26.65	-	26.65
Lease Liabilities	6.20	3.97	-	10.17
Current Borrowings	106.49	-	-	106.49
Trade Payables	347.01	-	-	347.01
Other Current Financial Liabilities	177.96	-	-	177.96
Total	637.65	229.91	-	867.57

Note No: 44 Capital Management

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

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

Notes to Consolidated Financial Information

(Rs. in millions)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Borrowings	6.13	305.78
Lease Liabilities	81.53	10.17
Less: Cash and cash equivalents	355.72	248.73
Net Debt (A)*	-	67.22
Equity (B)	3,874.05	3,380.20
Net Debt/ Equity Ratio (A/B)	-	0.02

* Net debt, if negative, is restricted to Nil.

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 borrowing.



Notes to Consolidated Financial Information

Note No:45 Analytical Ratios

Particulars	Numerator	Denominator	As at 31 st March, 2024	As at 31 st March, 2023	% of variance	Reasons
a. Current Ratio	Current Assets	Current Liabilities	2.05	1.34	52.60	Non-Current FDRs converted into Current FDRs
b. Net Debt-Equity Ratio	Debt	Shareholders' Equity	0.02	0.09	(75.79)	Repayment of term loan
c. Debt Service Coverage Ratio	Earnings Available for Debt	Debt Service	2.37	3.01	(21.41)	
d. Return on Equity Ratio	Net Profit after Taxes	Average Shareholders' Equity	15.78%	10.22%	54.44	Increase in Net Profit
e. Inventory turnover ratio	Cost of Goods Sold	Average Inventory	6.34	6.76	(6.18)	
f. Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	17.74	16.80	5.59	
g. Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	7.47	6.00	24.43	
h. Net capital turnover ratio	Net Sales	Average Working Capital	10.70	16.32	(34.43)	Non-Current FDRs converted into Current FDRs
i. Net profit ratio	Net Profit	Net Sales	10.82%	6.64%	62.90	Reduction in consumption
j. Return on Capital employed	Earnings before taxes	Capital Employed	18.89%	12.79%	47.72	Increase in Net Profit
k. Return on investment.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	

Note No: 46 Relationship with Struck off companies

The company does not have any transaction with companies struck off under Companies Act, 2013

Note No: 47 Benami Properties

The Company does not have any Benami Property held in its name or in the name of any other person/company. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

Note No: 48 Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Note No: 49 Undisclosed Income

There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (Such as search or survey), that has not been recorded in books of accounts.

Note No: 50 Crypto Currency

The Company has not traded or invested in Crypto currency or virtual currency during the year.

Notes to Consolidated Financial Information

Note No: 51 Registration or Satisfaction of Charges

The Company does not have any charges or satisfaction of charges, which is yet to be registered with registrar of companies beyond the statutory period.

Note No: 52 Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an impact on current or previous financial year.

Note No: 53 Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any other person(s) or entity(ies), including foreign entities(intermediaries) with the understanding (whether recorded in writing or otherwise) that the company shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Note No: 54 Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

Note No: 55 Significant accounting judgments, estimates and assumptions

The preparation of the Company's Consolidated financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and intangible assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. Judgments

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

Lease

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease-by-lease basis. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods reassessed to ensure that the lease term reflects the current economic circumstances.



Notes to Consolidated Financial Information

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below. The Company based its assumptions and estimates on parameters available when the Consolidated financial information were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Contingent liabilities

The contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company. The Company evaluates the obligation through Probable, Possible or Remote model ('PPR'). In making the evaluation for PPR, the Company take into consideration the Industry perspective, legal and technical view, availability of documentation/ agreements, interpretation of the matter, independent opinion from professionals (specific matters) etc. which can vary based on subsequent events. The Company provides the liability in the books for probable cases, while possible cases are shown as contingent liability. The remote cases are disclosed in the Consolidated financial information.

(ii) Impairment of financial assets

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period.

(iii) Impairment of Assets

An impairment exists when the carrying value of an asset exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

(iv) Gratuity benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds, and extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

(v) Taxes

Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax liabilities, cash tax settlements and therefore the tax charge in the statement of profit or loss.

Notes to Consolidated Financial Information

Note No: 56 Distributions Made and Proposed

(Rs. in millions)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Amounts recognised as distributions to equity holders:		
Interim Dividend (Including Dividend Tax) (Rs. in millions) (A)	-	-
Per Share Dividend (Amount in Rs.)	-	-
Proposed Dividend (Rs. in millions) (B)*	78.71	78.71
Per Share Dividend (Amount in Rs.)	4.00	4.00
Total Dividend (A+B)	78.71	78.71

* Proposed dividends on equity shares are subject to approval at the ensuing annual general meeting and are not recognized as a liability (including Dividend distribution tax thereon) until approved by shareholders.

The Board has recommended annual dividend @ 80% on paid up share capital of the company i.e. Rs. 4 per paid up equity shares for the FY 23-24.

Note No: 57

Previous year figures have been rearranged or regrouped, wherever necessary.

See accompanying notes to financial statements
As per our report of even date attached

For Rajan Chhabra & Co.
Chartered Accountants
FRN: 009520N

For and on behalf of Board
STUDDS ACCESSORIES LIMITED

CA Rajan Chhabra
Partner
M No. : 088276

Madhu Bhushan Khurana
Chairman and Managing Director
DIN:00172770

Sidhartha Bhushan Khurana
Managing Director
DIN: 00172788

Pallavi Saluja
Independent Director
DIN: 07006557

Faridabad, June 22, 2024

Manish Mehta
Chief Financial Officer

Asha Mittal
Company Secretary



Studds Accessories Limited

Regd Office: Plot 918, Sector 68, IMT, Faridabad-121004, Haryana

CIN: U25208HR1983PLC015135

Website: www.studds.com; **Email:** secretarial@studds.com

Ph. No.: 0129-4296500

NOTICE is hereby given that the 42nd (Forty Second) Annual General Meeting ("AGM") of the members of Studds Accessories Limited ("the Company") will be held on Monday on 30th day of September, 2024 at 2:00 P.M. (IST) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2024, including Balance Sheet as on that date, the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date and the reports of the Board of Directors and Auditors along with its annexures and notes thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended on March 31, 2024 including Balance Sheet as on that date, the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date and the report of Auditors and notes thereon, and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2024, including Balance Sheet as on that date, the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date and the reports of the Board of Directors and Auditors along with its annexures and notes thereon, as circulated to the Members, be and are hereby received, considered, and adopted.

RESOLVED FURTHER THAT the audited consolidated financial statements of the Company for the financial year ended on March 31, 2024 including Balance Sheet as on that date, the Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended on that date and the report of Auditors and notes thereon, as circulated to the Members, be and are hereby received, considered, and adopted."

- To declare Final Dividend of Rupees Four (4) per Equity Share (i.e. 80% on Paid up Value of Rupees 5/- each) for the Financial Year 2023-24, and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the recommendation of Board of Directors, dividend of Rs. 4/- (including all tax, cess, etc.) per equity shares (having face value of Rs. 5/- per equity shares) at the rate of 80% on the paid-up equity share capital of Rs. 9,83,83,500 of the Company for the Financial Year ended on 31st March 2024, aggregating

amounting to Rs. 7,87,06,800/- (Rupees Seven Crore Eighty Seven Lakh Six Thousand Eight Hundred Only) be and is hereby declared and that the said Dividend be distributed out of the Profits of the Company for the financial year ended on 31st March, 2024.

RESOLVED FURTHER THAT the dividend to be paid to the shareholders (holding shares in physical, electronic/dematerialised form) whose names appear in the Register of Members of the Company as on the closing business hours of September 23, 2024."

- To appoint a director in place of Mr. Sidhartha Bhushan Khurana (DIN: 00172788) who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution**

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sidhartha Bhushan Khurana (DIN: 00172788) who retires by rotation and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

- Appointment of Ms. Shilpa Arora as a Whole-time Director in the category of Woman Executive Director and designated as 'Global Sales Head' of the Company and CEO of Bikerz US Inc. ,Wholly Owned Subsidiary of the Company with effect from August 24, 2024 to August 23, 2029**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED FURTHER THAT pursuant to the provisions of sections 152, 164, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and such other laws, acts, regulations, approvals, permissions and sanctions, as may be required (hereinafter collectively referred to as the "Applicable Laws"), the Articles of Association of the Company, the Nomination and Remuneration Policy of the Company and based on the recommendation of the Nomination and Remuneration Committee (hereinafter referred to as the 'NRC') and approval of the Board and subject to approval of Central Government and such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, the approval of the Company be and is hereby accorded

to the appointment of Ms. Shilpa Arora (DIN:10733950) who is eligible for appointment and whose period of office is liable to retire by rotation and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, as the Whole-time Director of the Company in the Category of the Executive Director, designated as 'Global Sales Head' of the Company (excluding India, Nepal and Bangladesh) and CEO of Bikerz US Inc., Wholly Owned Subsidiary of the Company with immediate effect for the period effective from August 24, 2024 to August 23, 2029 (both days inclusive), at a basic salary of 10,000 Canadian dollars per month (conversion rate to INR shall be applied as per date of payment), profit linked commission and the social security contribution, as applicable, cumulative shall not exceed 2% of the Net Profit of the Company, computed in accordance with the provisions of section 198 of the Companies Act, 2013 and at the such terms and conditions, if any as set out in the explanatory statement herein under given, with further liberty to the Board (which term shall be deemed to include the Nomination and Remuneration Committee, constituted by the Board) to modify, alter, revise from time to time, the terms and conditions of the said appointment including any alteration in remuneration so as to not exceed the limits specified in Section 197 read with the Schedule V of the Act, and in such manner as may be agreed to between the Board of Directors and Ms. Shilpa Arora (DIN:10733950), in the best interest of the Company, without any further reference to the members in the General Meeting.

RESOLVED FURTHER THAT the remuneration by way of Salary, profit linked Commission and the social security contribution, as applicable, shall be treated as minimum remuneration for the abovementioned tenure ending on August 23, 2029 and in case where in any financial year, during the said tenure of Ms. Shilpa Arora (DIN:10733950), as Whole-time Director of the Company designated as 'Global Sales Head' of the Company (excluding India, Nepal and Bangladesh) and CEO of Bikerz US Inc., Wholly Owned Subsidiary, of the Company, if the Company has no profits or its profits are inadequate, then it shall be subject to the statutory limits and conditions as prescribed under Section 197 read with the Schedule V of the Act as applicable and as may be amended from time to time and/or subject to the approval of the Central Government or such other appropriate authorities, as may be required.

RESOLVED FURTHER THAT any of the Board of Director(s), Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient or incidental for giving effect to this Resolution and to take all such steps as may be necessary for obtaining necessary approvals, statutory, contractual or otherwise and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. Revision in the terms of remuneration of Mr. Sidhartha Bhushan Khurana (DIN: 00172788), Managing Director of the Company

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT in partial modification to the Resolution at Item no. 5, passed by the Members at the 40th Annual General Meeting held on September 30, 2022 ('the said Resolution of 2022') and pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], as amended and to the extent applicable, and based on the recommendation of the Nomination and Remuneration Committee ('NRC') and approval of the Board, the consent of the Members be and is hereby accorded to the revised terms of remuneration of Mr. Sidhartha Bhushan Khurana (DIN: 00172788), [presently designated as Managing Director ('MD') of the Company], effective from August 24, 2024 till for remainder of the tenure of his present term of appointment, i.e. up to March 31, 2028 (including the remuneration to be paid to him in the event of loss or inadequacy of profits in any financial year during his current tenure) within the overall limits of Section 197 of the Act, specifically described in the Explanatory Statement given herein below, with other terms and conditions of his appointment as set out in the said Resolution of 2022, remaining the same, with liberty to the Board of Directors/ Nomination and Remuneration Committee to alter and vary the terms and conditions of the remuneration.

RESOLVED FURTHER THAT except for change in commission clause mentioned in the Explanatory Statement given herein below, all the other existing terms and conditions of his appointment & remuneration shall remain unchanged for current remaining tenure upto March 31, 2028.

RESOLVED FURTHER THAT any of the Board of Director(s), Chief Financial Officer and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient or incidental for giving effect to this Resolution and to take all such steps as may be necessary for obtaining necessary approvals, statutory, contractual or otherwise and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By the order of Board
For **Studds Accessories Limited**

Madhu Bhushan Khurana
Chairman and Managing Director
DIN: 00172770

Faridabad, August 24, 2024

**NOTES:**

1. The Ministry of Corporate Affairs ("MCA"), Government of India vide Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/2020 dated April 8, 2020 and Circular No.17/2020 dated April 13, 2020, Circular No. 02/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 and the latest dated September 25, 2023 ('collectively referred to as MCA Circulars') has permitted the holding of the AGM through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility without the physical presence of the Members/ Shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 ("The Act"), and MCA Circulars, the 42nd AGM of the Company is being held through VC/OAVM facility.

The Deemed Venue for the 42nd AGM shall be the Registered Office of the Company.

2. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

3. The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item No. 3 to 5 of the Notice is annexed hereto. The Board of Directors have considered and decided to include Item No. 4 & 5 as given above, as Special Businesses in the forthcoming AGM as it is unavoidable in nature.

The relevant details as set out under Item No. 3 to 5 of the Notice, pursuant to Secretarial Standard - 2 on General Meetings, as amended and issued by the Institute of Company Secretaries of India ('ICSI') and notified by the MCA in respect of the Director's re-appointment, appointment, and varying of the terms of remuneration at this AGM are also annexed to this Notice as **Annexure-A**.

4. Institutional Investors/Corporates, who are Members of the Company, are encouraged to attend and vote at the 42nd AGM through VC/OAVM facility. Corporate/ Institutional Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutiniser by e-mail at rupesh@cacsindia.com with a copy marked to delhi@linkintime.co.in.

5. The Members can join the AGM in the VC/OAVM mode 30 minutes before and up to 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The Members will be able to view the live proceedings at <https://instameet.linkintime.co.in>. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Auditors, etc. who are allowed to attend the AGM without restriction on account of a first come first served basis.
6. In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The attendance of the Members/Shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. The transcript of the forthcoming Annual General Meeting scheduled on September 30, 2024, shall also be made available on the website of the Company <https://www.studds.com/investor-relations>.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and all the documents referred to in the Notice of this AGM and explanatory statement thereto, will be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM and also during the AGM. Members who wish to inspect such documents can send their requests to the Company at secretarial@studds.com by mentioning their name and Folio number/DP ID and Client ID.
10. In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participants, unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Annual Report 2023-24 to those Members who request the same at secretarial@studds.com mentioning their Folio No. / DP ID and Client ID. The Annual Report including the Notice convening the 42nd AGM has been uploaded on the website of the Company at <https://www.studds.com/investor-relations> and can also be accessed on the websites of the RTA, Link Intime at <https://instavote.linkintime.co.in>.
11. Pursuant to Sections 101 and 136 of the Act read with relevant Rules made thereunder, companies can serve

- Annual Reports and other communications through electronic mode to those Members/ Shareholders who have registered their e-mail address either with the Company or with the Depository Participants ('DP'). Members/ Shareholders who have not registered their e-mail address with the Company can now register the same by sending an email to Company Secretary of the Company at secretarial@studds.com and/or by sending a request to Link Intime India Private Limited Registrar and Share Transfer Agent ('RTA') through email at delhi@linkintime.co.in or contact 011-49411000. Members/ Shareholders holding shares in demat form are requested to register their e-mail address with their DP only. The registered e-mail address will be used for sending future communications.
12. The Notice of AGM and Annual Report will be sent to those Members/ Shareholders whose name will appear in the Register of Members / list of beneficiaries received from the Depositories as on close of business hours on August 30, 2024. The voting rights of the shareholders/ beneficial owner shall be reckoned on the equity shares held by them as at close of business hours on the Record Date i.e. September 23, 2024.
 13. Members/Shareholders desiring any information/ clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at secretarial@studds.com at least seven days in advance to enable the management to keep information ready at the AGM. Members/Shareholders desiring to seek information/ clarification during the AGM on the accounts or any matter to be placed at the AGM may ask through the chat box facility provided by Link Intime India Private Limited.
 14. Members/Shareholders holding shares in electronic form are requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members/Shareholders holding shares in physical form, if any, can submit their PAN to the Registrar and Share Transfer Agent ("RTA") Link Intime India Private Limited.
 15. Ministry of Corporate Affairs vide its notifications dated September 10, 2018, mandated that securities of unlisted public companies can be transferred only in dematerialized form w.e.f. October 02, 2018. Accordingly, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. In view of the above and to avail various benefits of dematerialization, Members/ Shareholders are requested to dematerialize the shares held by them in physical form. The ISIN No. for the Equity Shares of the Company is INE00Q601028.
 16. Non-Resident Indian Members/Shareholders are requested to inform RTA, immediately of: (a) Change in their residential status on return to India for permanent settlement; (b) Particulars of their bank account maintained in India with complete name, branch, account number, account type and address of the Bank with pin code number.
 17. If the dividend as recommended by the Board of Directors is declared at the Annual General Meeting, payment of such dividend shall be made as per the provisions of the Companies Act, 2013 as under:
 - (a) To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on September 23, 2024; and
 - (b) To all Members in respect of shares held in physical form after giving effect to valid requests lodged with the Company on or before the close of business hours on September 23, 2024.
 18. As per the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the Shareholders. Your Company shall therefore be required to deduct tax at source at the time of making the payment of the dividend if the dividend as recommended by the Board of Directors is declared at this 42nd Annual General Meeting.
 19. Attention of the Members/Shareholders is drawn to the provisions of Section 124 of the Companies Act, 2013, which specifies that the dividend which remains unpaid/ unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund ('IEPF') established by the Central Government. In case of those members who have not claimed or encashed the dividend/dividend warrant(s) consecutively for last seven consecutive financial years, the Company will proceed to transfer the respective shares to IEPF account in terms of IEPF rules. The details of such shareholders are uploaded on the web-link <https://www.studds.com/investor-relations>. However, no shares/dividend was eligible to transfer to the IEPF during FY 2023-24.
 20. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, mobile number, PAN, registration of nomination, power of attorney registration, bank mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar at delhi@linkintime.co.in in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records.
 21. Nomination facility: As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form SH-14 as the case may be. The said forms can be downloaded from the website of the Company at <https://www.studds.com/investor-relations>. Members are requested to submit the requisite form to



their DPs in case the shares are held in electronic form and to the Registrar at delhi@linkintime.co.in in case the shares are held in physical form, quoting their folio no. Members/Shareholders who require communication in physical form in addition to e-communication or have any other queries, may write to the RTA or Company at its Registered Office address.

22. Remote e-Voting before/during the AGM:

- i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard-2 on General Meetings issued by ICSI, as amended from time to time, read with the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the businesses to be transacted as mentioned in the Notice of the AGM. For this purpose, the Company has appointed Link Intime for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-Voting prior to the AGM or remote e-voting during the AGM will be provided by Link Intime.
- ii. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of Monday, September 23, 2024, may cast their vote by remote e-Voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting prior to the AGM or remote e-voting during the AGM. Any non-individual Member or Member holding securities in physical mode who acquires shares of the Company and becomes a Member of the Company after the despatch of the Notice and holding shares as on the cut-off date i.e. Monday, September 23, 2024, may obtain the User ID and Password by sending a request at delhi@linkintime.co.in.
- iii. The remote e-Voting period commences on Friday, September 27, 2024 at 9.00 a.m. (IST) and ends on Sunday, September 29, 2024 at 5.00 p.m. (IST). The remote e-Voting module shall be disabled by Link Intime for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently. The voting rights of the Members (for voting through remote e-Voting before/during the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date of Monday, September 23, 2024.
- iv. Members will be provided with the facility for voting through e-Voting at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on such resolution(s) upon announcement by the Chairman. Members who have cast their vote

on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote on such resolution(s) again.

- v. The remote e-Voting module on the day of the AGM shall be disabled by Link Intime for voting after 15 minutes of the conclusion of the Meeting.
23. Mr. Rupesh Agarwal (Membership No. A16302/CP No. 5673) or failing him, Mr. Shashikant Tiwari (Membership No. F11919/CP No. 13050) or failing him, Mr. Lakhan Gupta (Membership No. F12682/CP No. 26704), Partners of Chandrasekaran Associates, Company Secretaries, has been appointed as the Scrutiniser to scrutinise the remote e-Voting process and e-voting at the AGM in a fair and transparent manner.
24. The Scrutiniser, after scrutinizing the voting through remote e-voting and e-voting at the AGM, shall make a consolidated scrutinizer's report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or any other person authorised by the Chairman in writing. The Chairman or the authorized person shall declare the voting results within stipulated timeline under the Act. The voting results declared shall be available on the website of the Company at www.studds.com; and on the website of Link Intime at <https://linkintime.co.in> and shall also be displayed on the Notice board at the Registered Office the Company.
25. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
26. The format of the Register of Members prescribed by the MCA under the Act requires the Company/Registrar to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividend, etc. Members holding shares in physical form are requested to submit the details if not mapped yet to the Company or to the Registrar. Members holding shares in electronic form are requested to submit the details to their respective DPs only and not to the Company or Link Intime.
27. All correspondence including share transfer documents should be addressed to the RTA of the Company viz. Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No NH-2, C-1 Block, LSC, Near Savitri Market, Janakpuri, New Delhi - 110058, Tel: 011 - 49411000, e-mail: delhi@linkintime.co.in.

By the order of Board
For **Studds Accessories Limited**

Madhu Bhushan Khurana

Chairman and Managing Director

Faridabad, August 24, 2024

DIN: 00172770

Process and manner for attending the 42nd Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & click on "Login".
 - Select the "Company" and 'Event Date' and register with your following details: -
 - A. Demat Account No. or Folio No: Enter your 16-digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide Folio Number registered with the Company**
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
 - Click "Go to Meeting" (You are now registered for InstaMeet, and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on "Submit".
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/ Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

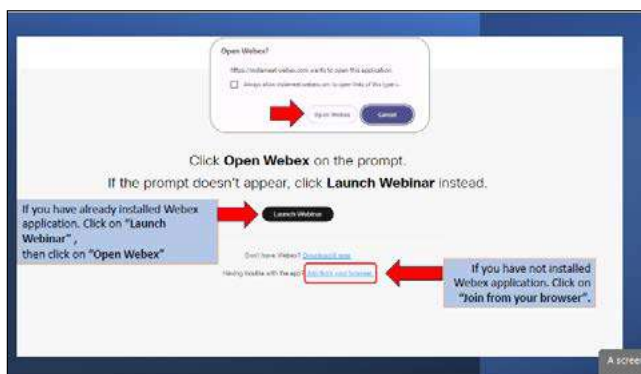
Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Instructions to attend the AGM:

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



or

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1 Enter your First Name, Last Name and Email ID and click on Join Now.

- 1 (A) If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
- 1 (B) If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.

Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

Remote e-Voting Instructions for shareholders:

Pursuant to Section 108 of the Companies Act, 2013 read with rules made thereunder, shareholders may cast their vote through remote e-voting on the business set out in AGM notice. Shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- Enter user id and password. Post successful authentication, click on "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

- To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- Proceed with updating the required fields.
- Post registration, user will be provided with Login ID and password.
- After successful login, click on "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- Visit URL: <https://www.evoting.nsdl.com/>
- Click on the "Login" tab available under 'Shareholder/ Member' section.
- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be redirected to NSDL depository website wherein you can see "Access to e-voting".
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be

redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

2. Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

- Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or www.cdslindia.com.
- Click on New System Myeasi
- Login with user id and password
- After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

- To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- Proceed with updating the required fields.
- Post registration, user will be provided Login ID and password.
- After successful login, user able to see e-voting menu.
- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- Visit URL: <https://www.cdslindia.com/>
- Go to e-voting tab.
- Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.



3. Individual Shareholders holding securities in demat mode with Depository Participants:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- Login to DP website
- After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

- Visit URL: <https://instavote.linkintime.co.in>
- Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

- C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

- D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

*Shareholders holding shares in NSDL form, shall provide 'D' above

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

- Click "confirm" (Your password is now generated).

- Click on 'Login' under 'SHARE HOLDER' tab.
- Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

- After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
- E-voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

STEP 1 – Registration

- Visit URL: <https://instavote.linkintime.co.in>
- Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- Fill up your entity details and submit the form.
- A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on "Investor Mapping" tab under the Menu Section
- Map the Investor with the following details:
 - 'Investor ID' -

- i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
- ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
- b. 'Investor's Name' - Enter full name of the entity.
- c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
- d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select 'View' icon for 'Company's Name / Event number'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual shareholders holding securities in physical form has forgotten the password:



If an Individual shareholder holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/ Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password"

option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**Corporate Body/ Custodian/ Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE ACT AND SECRETARIAL STANDARD (SS-2) ON GENERAL MEETINGS).

ITEM NO. 3 & 5

Mr. Sidhartha Bhushan Khurana was reappointed as Managing Director for a period of five (5) years with effect from 1st April 2023 to 31st March 2028, on such terms and conditions including remuneration as approved by the members at 40th Annual General Meeting held on September 30, 2022. His tenure as Managing Director of the Company is valid upto 31st March 2028.

Mr. Sidhartha Bhushan Khurana provides valuable insights and vision for the Company's sustained growth initiatives and plans. He has constantly provided the leadership and guidance to qualified and well experienced professionals across all key functions of the organisation to enable them to add value to the Company's growth. He has played an instrumental role in growth of the Company.

In terms of Section 152 of the Companies Act, 2013 (the 'Act'), Mr. Sidhartha Bhushan Khurana (DIN: 00172788), the Managing Director of the Company, is liable to retire by rotation and being eligible, has offered himself for re-appointment.

Mr. Sidhartha Bhushan Khurana has confirmed that he is neither disqualified from being reappointed as a director under provisions of Section 164 of the Act, nor debarred from holding the office of director by virtue of any order issued by any authority.

The Terms of his appointment including remuneration was approved in the 40th AGM of the Company as set out in the said Resolution of 2022 read with explanatory statement. Those terms including remuneration shall remain unchanged except commission clause for which resolution as set out in Item No 5 is placed for members' approval in the ensuing 42nd AGM.

The other existing terms and conditions of his appointment as set out in the said Resolution of 2022, which remaining the same for his current tenure uptill March 31, 2028, alongwith modified commission clause, is mentioned hereunder:

Mr. Sidhartha Bhushan Khurana, as a Managing Director (hereinafter referred as Mr. Khurana or Managing Director) of the Company shall be entitled to receive tax-free remuneration;

a) Salary

Basic salary of INR 5,00,000/- p.m with authority to the Board (which expression shall include a committee thereof), to revise his salary from time to time.

b) Perquisites

In addition to salary, the Managing Director shall also be entitled to perquisites and allowances upto such amount as detailed below:

- i. Special Allowance upto INR 250,000/- (50% of Basic Salary) payable monthly.
- ii. Leave Travel Concession: Leave Travel Concession for self and family subject to a ceiling of three months basic salary.

Explanation: Family means the spouse, dependent children and dependent parents.
- iii. Medical reimbursement: Reimbursement of the expenses incurred for self and family subject to a ceiling of three months basic salary every year and such actual expenses as prescribed under the proviso to section 17(2) of the Income Tax Act.
- iv. Provident Fund, Bonus, Gratuity as per the rules of the Company.
- v. Motor Cars: Company maintained two motors cars with chauffeurs for official & personal use.
- vi. Club Membership Annual Fees subject to four Clubs.
- vii. Coverage under Medical claim Insurance, Group Personal Accident Insurance & Term Insurance as per company policy.
- viii. Round the clock one armed security guard to be provided by the Company at his residence.
- ix. Telephone: Telephone provided at residence to be paid by Company and Mobile phone Expenses as per the rules of the Company.
- x. Actual Electricity and Water Charges of his residence.
- xi. Hard and Soft Furnishing at residence equivalent to three (3) Months basic salary every year.

c) Commission

A profit linked commission shall be paid alongwith the payment under Salary and Perquisites & Allowances mentioned in point a and point b above, for each financial year or part thereof, cumulative shall not exceed 5% of the Net Profits Company to be computed in accordance with the provisions of section 198 of the Companies Act, 2013.



Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following statement is given:

I. General Information		
1.	Nature of industry	Manufacturing
2.	Date or expected date of commencement of commercial production/ transactions.	February 1983.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4.	Financial performance based on given indicators	The Financial performance of the Company for Financial Year ended on 31st March 2024 is as under (In Millions): Turnover/Net Sales: 5,290.23 Other Income: 68.15 Total Expenditure: 4,594.63 Profit/(Loss) before tax: 763.75
5.	Foreign investments or collaborations, if any.	As on date of this Notice of AGM, Company has one wholly owned subsidiary company 'Bikerz US Inc., a Delaware, USA, corporation' , in which remittance was done on August 9, 2024
II. Information about the appointee:		
1.	Background details	Mr. Sidhartha Bhushan Khurana has been on Board of the Company since 1998 and has over 25 years of experience in the field of business administration, finance, strategy, manufacturing and management. He has constantly provided leadership and guidance to qualified and well experienced professionals across all key organizational functions to enable them to add value to the Company's growth.
2.	Past remuneration	Rs. 34.46 million per annum (during financial year 2023-24).
3.	Recognition or awards	He has recently awarded with Budding Entrepreneur Award at FIA's 70 Platinum Jubilee & Foundation Day Celebration.
4.	Job profile and his suitability	Mr. Sidhartha Bhushan Khurana is an Alumni of Punjab Engineering College, Chandigarh. He is associated with the Company since more than 25 years and the Company has gone to a new level and reach to new heights under his Directorship.
5.	Remuneration proposed	The Remuneration proposed shall be on the terms as set out in the Resolution mentioned in Item No 5 of this Notice of 42nd Annual General Meeting ('AGM') read with Item No 5 of the Notice of 40th AGM held on September 30, 2022 and their explanatory statements under section 102 of the Companies Act, 2013, which consists of Salary, Perquisites and Commission on profits, etc
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration of remuneration of Managing Directors in the industry in general has gone up manifold. The remuneration proposed to the Managing Director of the Company is purely based on merits, keeping in view, the profile of the Managing Director, responsibilities being shouldered by him, remuneration being paid by other comparable Companies in the Industry, Industry remuneration benchmarks, Company's remuneration policy as finalised by Nomination and Remuneration Committee constituted by the Board.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel [or other director], if any.	Apart from receiving Director's remuneration, Mr. Sidhartha Bhushan Khurana is holding 3854680 Equity Share of Rs. 5/- each of the Company, as on date.
III. Other information:		
1.	Reasons of loss or inadequate profits	The Company has passed a Special Resolution pursuant to provisions of section 197 read with Schedule V as a matter of abundant precaution as the profitability of the company may be adversely impacted in future due to business environment in the 40th AGM of the Company held on September 30, 2022.
2.	Steps taken or proposed to be taken for improvement	Not Applicable.

3	Expected increase in productivity and profits in measurable terms	Not Applicable.
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IV. Disclosures

1.	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	As per the terms and conditions including remuneration as set out in the resolutions and the details enumerated in this explanatory statement under section 102(1) of the Companies Act, 2013 in Item No 5 of this Notice of 42nd Annual General Meeting ('AGM') read with Item No 5 of the Notice of 40th AGM held on September 30, 2022 and its explanatory statement.
2.	details of fixed component and performance linked incentives along with the performance criteria	
3.	service contracts, notice period, severance fees; a	
4.	stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Not applicable.

The Company has not defaulted in payment of dues to any bank or public financial institution or other secured creditor(s), if any.

Further, brief resume of Mr. Sidhartha Bhushan Khurana, his qualifications, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se and all other relevant details of Mr. Sidhartha Bhushan Khurana and information as required under Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are mentioned in **Annexure A** attached hereto.

Except Ms. Shilpa Arora, Mr. Sidhartha Bhushan Khurana and Mr. Madhu Bhushan Khurana and their relative, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No.3 & 5 of the accompanying Notice, except to the extent of his/her respective shareholding, if any, in the Company.

Pursuant to the applicable provisions of the Companies Act, 2013, and the relevant rules made thereunder, Board recommends for approval of the members through Ordinary Resolution set out at Item No. 3 of the Notice and Board also recommends for approval of the members through Special Resolution pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013, as set out at Item No. 5 of the Notice.

ITEM NO. 4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Shilpa Arora (DIN:10733950) as an Additional Director in the category of Whole-time Director with effect from August 24, 2024.

Brief Profile of Ms. Shilpa Arora as follows:

Ms. Shilpa Arora is a Non Resident Indian cum OCI holder. She is a distinguished executive with an exceptional skill set spanning strategic planning, marketing operations,

operational management, risk management, data-driven decision-making, sales leadership, revenue management, and personal leadership.

Ms. Shilpa Arora has done her Masters in Business Administration from the 'Rotman School of Business'. She was acting as CEO of Bikerz US Inc., and built the company from the ground up, expertly handling market research, legal structuring, funding, and compliances thereon. Her expertise in demand planning and revenue management has consistently driven operational efficiency and significant revenue growth, even in the most challenging market conditions. She has a experience in leading cross-functional teams and fostering a culture of continuous improvement. Ms. Shilpa Arora, is not a national of a country which shares land border with India.

Ms. Shilpa Arora is daughter of Mr. Madhu Bhushan Khurana, Chairman and Managing Director and Sister of Mr. Sidhartha Bhushan Khurana, Managing Director, who are Promoters of the Company.

Basis above experience and on the recommendation of Nomination and Remuneration Committee, the Board of Directors, at the same meeting dated August 24, 2024, appointed her as the Whole-Time Director in the category of Executive Director and designated as "Global Sales Head" of the Company (excluding India, Nepal and Bangladesh) and CEO of Bikerz US Inc. Wholly Owned Subsidiary of the Company with immediate effect, for the period effective from August 24, 2024 to August 23, 2029 (both days inclusive), subject to the approval of the Members at this Annual General Meeting ("AGM").

Pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company, she holds office of Additional Director up to the date of the ensuing AGM of the Company and is eligible to be appointed as 'Whole-Time Director in the category of Executive Director', whose office shall be liable to retire by rotation. The Company has, in terms of Section 160(1) of the Act, received a notice in writing from a Member, proposing her candidature for the office of

Director. The Company has also received requisite consent and declarations from Ms. Shilpa Arora for her appointment, as required under the Act and rules made thereunder.

The main terms and conditions of the appointment of Ms. Shilpa Arora (hereinafter referred to as 'Ms. Arora' or 'Executive Director') are given below:

(I) Tenure of Appointment:

The appointment as a Whole-time Director of the Company in the category of Executive Director and designated as "Global Sales Head" of the Company (excluding India, Nepal and Bangladesh) and CEO of Bikerz US Inc., Wholly Owned Subsidiary of the Company is for the period effective from August 24, 2024 to August 23, 2029 (both days inclusive).

(II) Nature of Duties:

The Executive Director, Ms. Shilpa Arora shall devote her whole time and attention to the business of the Company and perform such duties as may be entrusted to her as a Whole-time Director of the Company and being a "Global Sales Head" of the Company (excluding India, Nepal and Bangladesh) and CEO of Bikerz US Inc., Wholly Owned Subsidiary of the Company.

(III) Remuneration

(a) Basic salary: 10,000 Canadian dollars per month (conversion rate to INR shall be applied as per date of payment) and the social security contribution, as applicable.

The Board of Directors of the Company (which term shall be deemed to include the Nomination and Remuneration Committee, constituted by the Board) is hereby authorised to revise, amend, alter, vary and modify such terms and conditions of the existing appointment and/or remuneration including upward revision so as to not exceed the limits specified in Schedule V of the Act, as amended from time to time.

(b) Commission: Ms. Shilpa Arora shall be eligible for remuneration by way of profit linked commission in such a way that her total remuneration including commission shall not exceed 2% of the Net Profit of the Company, computed in accordance with the provisions of section 198 of the Companies Act, 2013.

(IV) Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, wherein in any financial year during the tenure of the Executive Director, the Company has no profits or its profits are inadequate, Ms. Shilpa Arora (DIN:10733950), shall continues to get the same remuneration as minimum remuneration then it shall be subject to the statutory limits and conditions as prescribed under Section 197 read with the Schedule V of the Act as applicable and as may be amended from time to time and/or subject to the approval of the Central Government or such other appropriate authorities, as may be required.

(V) Other terms of Appointment:

- i. The Executive Director shall not become interested or otherwise concerned, directly or through her spouse and/or children, in any selling agency of the Company.
- ii. The terms and conditions of the appointment of the Executive Director may be altered and varied from time to time by the Board as it may, in its discretion deem fit, subject to the limits stipulated under Schedule V read with Section 197 to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Executive Director and if exceeding the limits stipulated under Schedule V then subject to such approvals as may be required as per applicable laws.
- iii. The agreement may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- iv. The terms and conditions of appointment of the Executive Director also include a clause pertaining to adherence with the Company's Code of Conduct and other policies of Company as per applicable laws and maintenance of confidentiality.
- v. No sitting fees shall be paid to the Executive Director for attending the meetings of the Board of Directors or Committees thereof.
- vi. The Executive Director shall be liable to retire by rotation.

Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following statement is given:

I. General Information		
1.	Nature of industry	Manufacturing
2.	Date or expected date of commencement of commercial production/ transactions.	February 1983

3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4.	Financial performance based on given indicators	The Financial performance of the Company for Financial Year ended on 31st March 2024 is as under (In Millions): Turnover/Net Sales: 5,290.23 Other Income: 68.15 Total Expenditure: 4,594.63 Profit/(Loss) before tax: 763.75
5.	Foreign investments or collaborations, if any.	As on date of this Notice of AGM, Company has one wholly owned subsidiary company ' Bikerz US Inc., a Delaware, USA , corporation', in which remittance was done on August 9, 2024.

II. Information about the appointee:

1.	Background details	Ms. Shilpa Arora is a Non Resident Indian cum OCI holder. She is a distinguished executive with an exceptional skill set and holds Masters in Business Administration from the 'Rotman School of Business'
2.	Past remuneration	\$78000 per annum (during calendar year Jan-Dec.).
3.	Recognition or awards	N.A
4.	Job profile and his suitability	Ms. Shilpa Arora is a distinguished executive with an exceptional skill set of spanning strategic planning, marketing operations, operational management, risk management, data-driven decision-making, sales leadership, revenue management, and personal leadership. She is renowned for her dynamic and forward-thinking leadership style and experience in building the company from the ground up, expertly handling market research, legal structuring, funding, and compliances thereon. We believe that her directorship will be beneficial for the growth of the Company.
5.	Remuneration proposed	The Remuneration proposed shall be on the terms as set out in the Resolution mentioned in the Item No 4 of this Notice of 42nd Annual General Meeting ('AGM') read with the explanatory statement under section 102 of the Companies Act, 2013, which consists of her remuneration.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of her origin)	Taking into consideration of remuneration of Whole-time Directors in the industry in general has gone up manifold. The remuneration proposed to the Whole-time Director of the Company is purely based on merits, keeping in view the profile of the Whole-time Director, responsibilities being shouldered by her, remuneration being paid by other comparable Companies in the Industry, Industry remuneration benchmarks, Company's remuneration policy as finalised by Nomination and Remuneration Committee constituted by the Board.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel [or other director], if any.	Apart from receiving Director's remuneration, Ms. Shilpa Arora is holding 90000 Equity Shares of Rs. 5/- each of the Company.

III. Other information:

1.	Reasons of loss or inadequate profits	The Company is passing a Special Resolution pursuant to provisions of section 197 read with Schedule V as a matter of abundant precaution as the profitability of the company may be adversely impacted in future due to business environment, in this Notice of 42nd AGM.
2.	Steps taken or proposed to be taken for improvement	Not Applicable.
3.	Expected increase in productivity and profits in measurable terms	Not Applicable.

**IV. Disclosures**

1.	all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors	As per the terms and conditions including remuneration as set out in the resolution(s) and explanatory statement under section 102(1) of the Companies Act, 2013 in Item No 4 of this Notice of 42nd Annual General Meeting ('AGM') and its explanatory statement.
2.	details of fixed component and performance linked incentives along with the performance criteria	
3.	service contracts, notice period, severance fees; a	
4.	stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Not applicable.

The Company has not defaulted in payment of dues to any bank or public financial institution or other secured creditor(s), if any.

All other relevant details of Ms. Shilpa Arora and information as required under Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are mentioned in Annexure A, attached hereto. This explanatory statement and the resolution at Item No. 4 which outlines the terms and conditions may also be read and treated as disclosure in compliance with the requirement of Section 190 & 196 of the Companies Act, 2013.

Except Ms. Shilpa Arora, Mr. Sidhartha Bhushan Khurana and Mr. Madhu Bhushan Khurana and their relative, none of the Director(s), Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No.4 of the accompanying Notice, except to the extent of his/her respective shareholding, if any, in the Company.

Pursuant to the provisions of Sections 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends passing of the Special Resolution at Item No. 4 of the Notice to the members for their approval.

Annexure-A

Pursuant to the Secretarial Standard-2 issued by the Institute of Company Secretaries of India, the following information is furnished:

Particulars	For Item No. 3 & 5	For Item No. 4
Name of the Director	Mr. Sidhartha Bhushan Khurana (DIN: 00172788)	Ms. Shilpa Arora (DIN:10733950)
Date of Birth (Age)	July 20, 1977 (47 years)	August 6, 1973 (51 Years)
Qualification	Bachelor's degree in Aeronautical Engineering	Masters in Business Administration from the 'Rotman School of Business'
Experience & expertise in specific functional areas	He has more than 25 years of experience of handling key areas such as managing business administration, finance, strategy, manufacturing and management in helmets industry.	She is a distinguished executive with an exceptional skill set spanning strategic planning, marketing operations, operational management, risk management, data-driven decision-making, sales leadership, revenue management, and personal leadership.
Terms and Conditions of appointment/ re-appointment	Managing Director, liable to retire by rotation.	Appointed as Whole-time Director of the Company in the category of Executive Director and designated as 'Global Sales Head' of the Company (except India, Nepal and Bangladesh) and CEO of Bikerz US Inc., Wholly Owned Subsidiary of the Company and her appointment is liable to retire by rotation.
Details of Remuneration sought to be paid	Mr. Sidhartha Bhushan Khurana (DIN: 00172788) shall be entitle to remuneration as Managing Director of Company, as per the terms and conditions set out in the special resolutions and the details enumerated in the explanatory statements under 102(1) of the Companies Act, 2013, passed by members of the Company in their 40th AGM held on September 30, 2022 through item no. 5 read with resolution set out in item no. 5 of this Notice of 42nd AGM.	Ms. Shilpa Arora (DIN:10733950) shall be entitle to remuneration as Whole-time Director of the Company in the category of Executive Director and designated as 'Global Sales Head' of the Company (except India, Nepal and Bangladesh) and CEO of Bikerz US Inc., Wholly Owned Subsidiary of the Company, as mentioned in the special resolution as set out in Item no. 4 and explanatory statement of this Notice of 42nd AGM.
Last Remuneration drawn (Per Annum)	*Rs. 34.46 million per annum (during financial year 2023-24).	\$78000 per annum (during calendar year Jan-Dec.).
Date of first appointment on the Board	August 28, 1998	August 24, 2024
No. of shares held (In the Company) (% to total capital) as on date	3854680 (19.59%)	90000 (0.46%)
Relationship with other Directors, Manager, and other Key Managerial Personnel of the Company	Mr. Madhu Bhushan Khurana (Chairman & Managing Director) and Mr. Sidhartha Bhushan Khurana (Managing Director), are related to each other as father and son.	She is daughter of Mr. Madhu Bhushan Khurana, Chairman and Managing Director and Sister of Mr. Sidhartha Bhushan Khurana, Managing Director.
Number of Board Meetings attended during the Financial Year 2023-24	4 (four)	Not Applicable
Directorships held in other Companies in India	None	None in Indian Companies. However, she was acting as CEO in Bikerz US Inc., a Delaware, USA, corporation which became a wholly owned subsidiary of Studds Accessories Limited, effective from August 9, 2024.



Particulars	For Item No. 3 & 5	For Item No. 4
Chairman/ Member of the Committee of the Board of Directors of the Company in India	1. Audit Committee (Member) 2. Stakeholder's Relationship Committee (Member) 3. Corporate Social Responsibility (Member)	Risk Management Committee (Member) (effective from August 24, 2024)
Committees position held in other Companies	None	None

By the order of Board
For **Studds Accessories Limited**

Madhu Bhushan Khurana
Chairman and Managing Director
DIN: 00172770

Faridabad, August 24, 2024

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STUDDS ACCESSORIES LIMITED

Corporate Identification No.:

U25208HR1983PLC015135

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