

## **INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS**

To the members of **Ergo Design Private Limited**

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Ergo Design Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 financial statements.

#### **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to



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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit 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.
  - 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 balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
3. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has no pending litigations which have an impact on its financial position in its financial statements.
  - b) The Company did not have any long-term contracts including derivative contracts as at March 31<sup>st</sup>, 2024, for which there were any material foreseeable losses.
  - c) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31<sup>st</sup> 2024.
  - d)
    - i. The management has represented that, to the best of its knowledge and belief, 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 other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- ii. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii. Based on the audit procedures performed by us, nothing has come to our notice which may cause us to believe that the representations made by the management under sub-clause (i) and (ii) contain any material misstatement.
- e) The company did not declare or paid any dividend during the financial year.
- f) Based on our examination, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated for part of the year from *November 06*, to March 31, 2024, for all relevant transactions recorded in the software. During the course of performing our procedures, except for the aforesaid aspect of audit trail not operating till *November 05*, 2023, where the question of our commenting on whether the audit trail has been tampered with does not arise, we did not notice any instance of the audit trail feature being tampered with for the period from *November 06*, to March 31, 2024.

**For RJC Associates**

Chartered Accountants

Firm's Registration No: 003496S



R. Jeyachandran

Partner

Membership No: 021848



Coimbatore

24-05-2024

UDIN: 24021848BKBUJM1230

## Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's report to the members of **Ergo Design Private Limited** ('the Company') on the Ind AS financial statements for the year ended on March 31, 2024.

Based on our examination of the books and records of the Company carried out in accordance with the generally accepted Auditing practices in India, and according to the information and explanations given to us, we report as required by the CARO, 2020:

### Clause 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) All the assets have been physically verified by the Management during the year and there is a regular programme of physical verification, which in our opinion is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made.

### Clause ii

The Company does not hold any inventories and hence clause(ii) of the order is not applicable.

### Clause iii

The company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and hence clause(iii) is not applicable.

### Clause iv

The Company has not granted any loans, made investments, provided guarantees or security to the parties covered under section 185 and 186 of the Companies Act, 2013 and hence clause(iv) is not applicable.

### Clause v

The Company neither accepted any deposits nor have any amounts which are deemed to be deposits and accordingly the directives issued by the Reserve Bank of India and, sections 73 to 76 or any other relevant provisions of the Act, and the rules made thereunder are not applicable.

### Clause vi

The requirement as to maintenance of cost records as per section 148(1) of the Act, is not applicable to the Company.

### Clause vii

- (a) The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information furnished by the management, Goods and Services Tax, Provident Fund & Employees State Insurance Acts are not applicable to the Company for the year.



- (b) There are no material dues of income tax, wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.

Clause viii

There were no instances of surrendering or disclosing any income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

Clause ix

- (a) The Company has not raised any borrowings from any lender and hence clause (ix)(a) order is not applicable.  
(b) The company is not declared as wilful defaulter by any bank or financial institution or other lender.  
(c) No term loans were raised by the Company and hence clause (ix)(c) is not applicable.  
(d) No funds were raised on short term basis and hence clause (ix)(d) is not applicable.  
(e) The company does not have subsidiaries, associates or joint ventures and hence clauses (ix) (e) and (f) are not applicable.

Clause x

- (a) The Company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) lender and hence clause (x)(a) is not applicable.  
(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (x)(b) is not applicable.

Clause xi

- (a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted Auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the course of our Audit, nor have we been informed of any such case by the Management.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.  
(c) No whistle blower complaint has been received during the year by the company.

Clause xii

The Company is not a Nidhi Company and hence clause (xii) is not applicable.

Clause xiii

The provisions relating to compliance with section 177 of the Companies Act, 2013, are not applicable to the Company. All the transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and the details have been disclosed in the Ind AS Financial statements as required by the Accounting Standards.

Clause xiv

The provisions relating to appointment of internal auditor under section 138 of the Companies Act, 2013, are not applicable to the company.

Clause xv

According to the Information and Explanation furnished 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 them.



Clause xvi

- (a) According to the Information and Explanation furnished to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence clauses (xvi)(c) is not applicable.
- (d) Based on the information and explanations provided by the management of the Company, the Group has two CICs as part of the Group.

Clause xvii

The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

Clause xviii

The statutory auditor of the Company has not resigned during the year.

Clause xix

On the basis of the financial ratios, ageing and expected dates 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, in our opinion there is no material uncertainty exists as on the date of the audit report that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

Clause xx

The provisions relating to compliance with section 135(5) & (6) of the Companies Act, 2013, with regard to CSR expenditure are not applicable to the Company.

Clause xxi

Clause xxi is not applicable as this is independent audit report on a standalone basis.

**For RJC Associates**

Chartered Accountants

Firm Registration No: 003496S

**R. Jeyachandran**

Partner

Membership No: 021848



Coimbatore

24-05-2024

## **“Annexure B” to the Independent Auditor’s Report**

The Annexure referred to in independent auditor’s report to the members of Company on the Ind AS Financial Statements for the year ended March 31, 2024.

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

We have audited the internal financial controls over financial reporting of M/s Ergo Design Private Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

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 (“The Guidance Note”) 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**

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.

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

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 Ind AS 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 RJC Associates**

Chartered Accountants

Firm Registration No: 003496S



R. Jeyachandran

Partner

Membership No: 021848

Coimbatore

24-05-2024



Ergo Design Private Limited

Statement of Audited Standalone Financial Results for the quarter and year ended 31-Mar-2024

Amount in ₹ Thousands

Financial Results (SEBI)	Quarter ended			Year ended	
	Mar-24	Dec-23	Mar-23	Mar-24	Mar-23
<b>1. Income</b>					
(a) Revenue from operations	5,960.00	4,650.00	5,273.04	21,860.00	19,683.04
(b) Other income	-	60.31	-	60.31	60.73
<b>Total income</b>	<b>5,960.00</b>	<b>4,710.31</b>	<b>5,273.04</b>	<b>21,920.31</b>	<b>19,743.77</b>
<b>2. Expenses</b>					
(a) Cost of materials consumed	-	-	-	-	-
(b) Purchases of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	-	-	-	-	-
(d) Employee benefits expenses	3,927.43	3,647.98	1,833.94	14,850.41	11,598.67
(e) Finance costs	233.14	245.01	467.90	1,000.96	507.74
(f) Depreciation and amortisation expenses	780.36	757.97	1,251.99	3,054.26	3,014.97
(g) Other expenses	670.63	561.95	950.58	2,386.27	2,942.74
<b>Total expenses</b>	<b>5,611.56</b>	<b>5,212.91</b>	<b>4,504.42</b>	<b>21,291.90</b>	<b>18,064.12</b>
<b>3. Profit before tax and share of profit/(loss) of joint ventures accounted under equity method</b>	<b>348.44</b>	<b>(502.60)</b>	<b>768.62</b>	<b>628.41</b>	<b>1,679.65</b>
4. Share of profit/(loss) of joint ventures accounted for using equity method	-	-	-	-	-
<b>5. Profit before tax (3+4)</b>	<b>348.44</b>	<b>(502.60)</b>	<b>768.62</b>	<b>628.41</b>	<b>1,679.65</b>
<b>6. Income tax expense</b>					
-Current tax	52.60	79.70	196.81	291.69	196.81
-Deferred tax	-	-	39.10	-	39.10
<b>7. Net Profit for the period (5-7)</b>	<b>295.83</b>	<b>(582.29)</b>	<b>532.72</b>	<b>336.72</b>	<b>1,443.74</b>
<b>8. Other comprehensive income/(loss), net of income tax</b>					
A. Items that will not be reclassified to profit or loss	17.78	-	(134.49)	17.78	(134.49)
B. Items that will be reclassified to profit or loss	-	-	-	-	-
<b>Total other comprehensive income/(loss), net of income tax</b>	<b>17.78</b>	<b>-</b>	<b>(134.49)</b>	<b>17.78</b>	<b>(134.49)</b>
<b>9. Total comprehensive income for the period (7+8)</b>	<b>313.61</b>	<b>(582.29)</b>	<b>398.23</b>	<b>354.50</b>	<b>1,309.25</b>

The notes referred to above form an integral part of the financial statements.

For and on behalf of the Board

"As per our report of even date"

For RJC Associates

Chartered Accountants

Firm Registration No: 034965

Veluthedath Parambil Vijaya Kumar  
Director  
DIN: 01669038  
Coimbatore  
24.05.2024

Kuppachi Venumadhav  
Director  
DIN: 08272900

R. Jeyachandran

Partner

Membership No: 021848



Ergo Design Private Limited  
Balance Sheet as at March 31, 2024

Balance Sheet	Note	In ₹ Thousands	
		As At March 31, 2024	As At March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	<u>3a</u>	935.42	350.72
Right of use assets	<u>3b</u>	10,503.37	13,434.55
Capital work-in-progress	<u>3a</u>	-	-
Other intangible assets	<u>5</u>	-	-
Financial assets			
(i) Investments	<u>6</u>	-	-
(ii) Loans	<u>7</u>	-	-
(iii) Other financial assets	<u>8</u>	1,847.18	1,847.18
Deferred tax assets (Net)	<u>26c</u>	85.38	85.38
Current tax assets (net)	<u>26b</u>	2,294.45	1,059.61
<b>Total non-current assets</b>		<b>15,665.81</b>	<b>16,777.44</b>
<b>Current Assets</b>			
Financial assets			
(i) Trade receivables	<u>11</u>	2,873.00	4,227.26
(ii) Cash and cash equivalents	<u>12</u>	1,495.60	2,889.44
(v) Loans	<u>14</u>	-	12.00
Other current assets	<u>16</u>	1,326.96	1,310.63
<b>Total current assets</b>		<b>5,695.55</b>	<b>8,439.32</b>
<b>Total Assets</b>		<b>21,361.37</b>	<b>25,216.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	<u>17</u>	100.00	100.00
Other equity	<u>18</u>	6,142.48	5,787.98
<b>Total equity</b>		<b>6,242.48</b>	<b>5,887.98</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(ii) Lease liabilities	<u>3b</u>	8,801.61	11,467.24
<b>Total non-current liabilities</b>		<b>8,801.61</b>	<b>11,467.24</b>
<b>Current liabilities</b>			
Financial liabilities			
(ii) Lease liabilities	<u>3b</u>	2,665.63	2,306.54
(iii) Trade payables			
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	<u>22</u>	675.65	2,343.97
(iv) Other financial liabilities	<u>23</u>	10.00	10.00
Other current liabilities	<u>25</u>	2,966.00	3,201.04
<b>Total current liabilities</b>		<b>6,317.28</b>	<b>7,861.55</b>
<b>Total liabilities</b>		<b>15,118.90</b>	<b>19,328.79</b>
<b>Total equity and liabilities</b>		<b>21,361.37</b>	<b>25,216.76</b>

The notes referred to above form an integral part of the financial statements.

"As per our report of even date"

For and on behalf of the Board

For RJC Associates  
Chartered Accountants  
Firm Registration No: 034965

Mr. Veluthedath Parambil Vijaya Kumar  
Director  
DIN: 01669038  
Coimbatore  
24.05.2024

Mr. Kuppachi Venumadhav  
Director  
DIN: 08272900

R. Jeyachandran  
Partner



Ergo Design Private Limited  
Profit & Loss Account for the year ended March 31, 2024

Statement of Profit and Loss	Note	In ₹ Thousands	
		April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
Revenue from operations	<u>27</u>	21,860.00	19,683.04
Other income	<u>28</u>	60.31	60.73
<b>Total income</b>		<b>21,920.31</b>	<b>19,743.77</b>
<b>Expenses</b>			
Cost of materials consumed	<u>29</u>	-	-
Purchases of stock-in-trade	<u>30</u>	-	-
Changes in Inventories of finished goods, work-in-progress and stock-in-trade	<u>31</u>	-	-
Employee benefits expenses	<u>32</u>	14,850.41	11,598.67
Finance costs	<u>33</u>	1,000.96	507.74
Depreciation and amortisation expenses	<u>34</u>	3,054.26	3,014.97
Other expenses	<u>35</u>	2,386.27	2,942.74
<b>Total expenses</b>		<b>21,291.90</b>	<b>18,064.12</b>
<b>Profit before exceptional items, share of net profits of investments accounted for using equity method and tax</b>		<b>628.41</b>	<b>1,679.65</b>
Share of profit/(loss) of joint ventures accounted for using equity method		-	-
Exceptional items		-	-
<b>Profit before tax</b>		<b>628.41</b>	<b>1,679.65</b>
<b>Income tax expense</b>			
- Current tax		291.69	196.81
- Deferred tax		-	39.10
<b>Profit for the year from continuing operations</b>		<b>336.72</b>	<b>1,443.74</b>
<b>Profit for the year</b>		<b>336.72</b>	<b>1,443.74</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Change in fair value of FVOCI equity instruments		-	-
Remeasurement of post-employment benefit obligations		17.78	(134.49)
Income tax relating to these items		-	-
<b>Items that will be reclassified to profit or loss</b>			
Changes in fair value of interest rate swap		-	-
Deferred tax relating to above changes in interest rate swap		-	-
<b>Other comprehensive income for the year, net of tax</b>		<b>17.78</b>	<b>(134.49)</b>
<b>Total comprehensive income for the year</b>		<b>354.50</b>	<b>1,309.25</b>

The notes referred to above form an integral part of the financial statements.

"As per our report of even date"

For and on behalf of the Board

For RJC Associates

Chartered Accountants

Firm Registration No: 03496S

Veluthedath Parambil Vijaya Kumar  
Director

DIN: 01669038

Coimbatore

24.05.2024

Kuppachi Venumadhav  
Director

DIN: 08272900

R. Jeyachandran

Partner

Membership No: 021848



Ergo Design Private Limited  
Cash Flow Statement for the year ended March 31, 2024

Particulars	In ₹ Thousands	
	April 01, 2022 to March 31, 2024	April 01, 2022 to March 31, 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	726.13	1,679.65
Adjustments for :		
Depreciation	3054.26	3,014.97
Interest expenses	1000.96	507.74
Operating profit before working capital changes	4,781.35	5,202.36
(Increase) / Decrease in Trade Receivables	1354.26	(1,887.94)
(Increase) / Decrease in short term loan and advances	12.00	(12.00)
(Increase) / Decrease in Other Current Assets	(1,383.73)	(1,637.89)
(Decrease) / Increase in Trade payables	(1,668.32)	1,950.58
(Decrease) / Increase in Current Liabilities	124.05	738.73
Cash generated from operations	3,219.61	4,353.84
Direct Taxes Paid for current year	1526.54	(126.01)
Net cash from operating activities (A)	1,693.07	4,479.85
<b>Cash from investing activities</b>		
Purchase of Fixed Assets	(707.78)	(25.19)
Purchase of Fixed Assets	-	-
Net cash used in Investing activities (B)	(707.78)	(25.19)
<b>Cash flow from financing activities</b>		
Proceeds from issue of Share Capital	487.04	-
Proceeds from Long Term Borrowings	-	-
Lease payments	(2,866.17)	(2,575.00)
Dividend Paid	-	-
Net cash flow from financing activities (C)	(2,379.13)	(2,575.00)
<b>Net increase / Decrease in cash and cash equivalent (A+B+C)</b>	<b>(1,393.84)</b>	<b>1,879.66</b>
Cash and cash equivalents at the beginning of the year	2,889.44	1,009.78
Cash and cash equivalents at the end of the year	1495.60	2,889.44
Net increase / Decrease in cash and cash equivalent	(1,393.84)	1,879.66

The notes referred to above form an integral part of the financial statements.

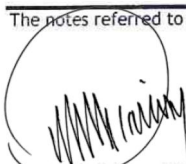
"As per our report of even date"

For RJC Associates

Chartered Accountants

Firm Registration No: 034965

For and on behalf of the Board

  
Vetothedath Parambil Vijaya Kumar  
Director  
DIN: 01669038  
Coimbatore  
24-05-2024

  
Kuppachi Venumadhav  
Director  
DIN: 08272900

  
R. Jeyachandran

Partner

Membership No: 021848



### 1. Corporate information

Ergo Design Private Limited (“the Company”) incorporated on October 11, 2012 under the provisions of erstwhile Companies act, 1956. The company is having its registered office at Coimbatore, Tamil Nadu. The company is a wholly owned subsidiary of Elgi Equipments Limited which is a listed entity.

### 2. Significant Accounting Policies

This note provides a list of significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015) and other relevant provisions of the Act.

**Historical cost convention:** The financial statements have been prepared on a historical cost basis.

**Foreign Currency Transaction:** There are no Foreign Currency transactions during the year.

**Revenue recognition:** Revenue is recognised when it is earned and no significant uncertainty exists as to its realization or collection. Revenue is measured at the fair value of the consideration received or receivable.

**Sale of Services:** Revenue from fixed price contracts is recognised using the proportionate completion method, which is determined by relating the actual project cost of work performed to date to the estimated total project cost for each contract. Unbilled revenue represents cost and earnings in excess of billings while unearned revenue represents the billing in excess of cost and earnings. Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

#### Income taxes

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

#### Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with Banks, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Cash Flow Statement:** The Cash flow from Operating activities are prepared under the Indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.

**Lease**  
As lessee



Leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for the use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However for leases of real estate for which the Company is the lessee, it has elected not to separate the lease and non-lease components and instead accounts for these as single lease component. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable.
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Elgi equipments limited, which does not have recent third party financing, and
- makes adjustments specific to the lease, such as term, country, currency and security.
- Right-of-use assets are measured at cost comprising the following:
  - the amount of the initial measurement of lease liability
  - any lease payments made at or before the commencement date less any lease incentives received
  - any initial direct costs and
  - restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 month or less.

**Trade receivables:** Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

**Inventories:** There are no transactions in this line of activity by the Company.

**Investments and other financial assets:** There are no investments in the books of the Company, and other financial assets are reported at transaction values, which need no restatement or adjustments.

**Property, plant and equipment:** Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.



Subsequent costs are included in the asset's carrying amount or recognised 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Depreciation methods, estimated useful lives and residual value Depreciation is calculated using the straight-line and written down value methods to allocate their cost, net of their residual values, over their estimated useful lives.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / (expense).

**Intangibles assets:** Costs associated with maintaining software programmes are recognised as an expense as and when incurred. Purchased software products are also recognized as intangible assets at their transaction values including installation costs. Capitalised development costs and Software purchase costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

**Trade and Other Payables:** These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### Provisions

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### Employee Benefits

##### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.





(ii) Other long-term employee benefit obligations

The Company pays provident fund contributions to Employee Provident Fund Account as per Employees Provident Fund Act, 1952. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. As per the policy of the company, Leave encashment is paid as and when liability arises and charged to profit and loss account.

Gratuity:

The liability or asset recognised in the balance sheet in respect of defined benefit 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 annually 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 the statement of profit and loss. Re-measurement 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.

The Company has established a defined contribution plan for the payment of post employment benefits for its employees in the form of gratuity fund scheme managed by LIC of India.

**Earnings Per Share**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares (Note 18).

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**Critical estimates and judgments**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies. Current year provisions are based on the actual values for the respective account heads and no estimates were adopted during the year.

**Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand rupees as per the requirement of Schedule III, unless otherwise stated.



Ergo Design Private Limited  
Statement Of Changes In Equity  
Equity Share Capital

1. Current reporting period - March 31, 2024

Particulars	In ₹ Thousands
	Equity share capital
Balance at the beginning of the current reporting period	100.00
Changes due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the current year	-
Balance at the end of the current reporting period	100.00

2. Previous reporting period - March 31, 2023

Particulars	In ₹ Thousands
	Equity share capital
Balance at the beginning of the current reporting period	100.00
Changes due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the current year	-
Add: Profit for the period	-
Balance at the end of the current reporting period	100.00

Other Equity

1. Current reporting period - March 31, 2024

Particulars	In ₹ Thousands					
	Capital Redemption Reserve	Revaluation Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Balance at the beginning of the current reporting period	-	-	-	-	5,787.98	5,787.98
Changes due to prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-	-	-
Total Comprehensive Income for the current period	-	-	-	-	17.78	17.78
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Add: Profit for the period	-	-	-	-	336.72	336.72
Balance at the end of the current reporting period	-	-	-	-	6,142.48	6,142.48

2. Previous reporting period - March 31, 2023

Particulars	In ₹ Thousands					
	Capital Redemption Reserve	Revaluation Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Balance at the beginning of the previous reporting period	-	-	-	-	4,478.73	4,478.73
Changes due to prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-	-	-
Total Comprehensive Income for the previous period	-	-	-	-	(134.49)	(134.49)
Dividends	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-
Less: Loss for the period	-	-	-	-	1,443.74	1,443.74
Balance at the end of the previous reporting period	-	-	-	-	5,787.98	5,787.98

The notes referred to above form an integral part of the financial statements.

"As per our report of even date"

For RJC Associates

Chartered Accountants

Firm Registration No: 03496S

Veluthedath Parambil Vijaya Kumar  
Director  
DIN: 01669038  
Coimbatore  
24-05-2024

For and on behalf of the Board

Kuppachi Venumadhav  
Director  
DIN: 08272900

R. Jeyachandran  
Partner  
Membership No: 021848



Ergo Design Private Limited  
Property, Plant & Equipment schedule March 31, 2024

3(a). Property, plant and equipment As At March 31, 2024

Particulars	In ₹ Thousands			Total
	Land	Office equipment	Motor Vehicle	
<b>Gross carrying amount</b>				
Opening gross carrying amount	-	2,607.67	-	2,607.67
Additions		601.89	105.90	707.78
Closing gross carrying amount	-	<b>3,209.55</b>	<b>105.90</b>	<b>3,315.45</b>
<b>Accumulated depreciation</b>				
Opening accumulated depreciation	-	2,256.95	-	2,256.95
Additions		122.27	0.81	123.08
Closing accumulated depreciation	-	<b>2,379.22</b>	<b>0.81</b>	<b>2,380.03</b>
Net carrying amount	-	<b>830.34</b>	<b>105.08</b>	<b>935.42</b>

3(a). Property, plant and equipment As At March 31, 2023

Particulars	Land	Office equipment	Motor Vehicle	Total
<b>Gross carrying amount</b>				
Opening gross carrying amount	-	2,582.48	-	2,582.48
Additions	-	25.19	-	25.19
Closing gross carrying amount	-	<b>2,607.67</b>	-	<b>2,607.67</b>
<b>Accumulated depreciation</b>				
Opening accumulated depreciation	-	2,135.03	-	2,135.03
Additions	-	121.92	-	121.92
Closing accumulated depreciation	-	<b>2,256.95</b>	-	<b>2,256.95</b>
Net carrying amount	-	<b>350.72</b>	-	<b>350.72</b>



Ergo Design Private Limited  
3(b). Leases March 31, 2024

3(b)(i) Right of use assets As At March 31, 2024

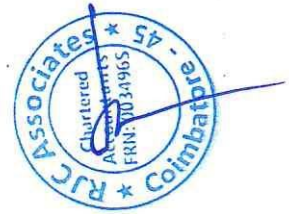
Particulars	Land	Building	Total
Gross carrying amount			
Opening gross carrying amount	-	21,697.49	21,697.49
Closing gross carrying amount	-	21,697.49	21,697.49
Accumulated depreciation			
Opening accumulated depreciation	-	8,262.94	8,262.94
Exchange difference	-	2,931.18	2,931.18
Closing accumulated depreciation	-	11,194.12	11,194.12
Net carrying amount	-	10,503.37	10,503.37

3(b)(i) Right of use assets As At March 31, 2023

Particulars	Land	Building	Total
Gross carrying amount			
Opening gross carrying amount	-	7,434.81	7,434.81
Exchange difference	-	14,262.68	14,262.68
Closing gross carrying amount	-	21,697.49	21,697.49
Accumulated depreciation			
Opening accumulated depreciation	-	5,147.17	5,147.17
Exchange difference	-	3,115.77	3,115.77
Closing accumulated depreciation	-	8,262.94	8,262.94
Net carrying amount	-	13,434.55	13,434.55

3(b) Lease liabilities

	As At March 31, 2024	As At March 31, 2023
Current	2,665.63	2,306.54
Non-current	8,801.61	11,467.24
Total	11,467.24	13,773.78



Ergo Design Private Limited  
Intangible assets March 31, 2024

5. Other Intangible assets and Goodwill As At March 31, 2024

In ₹ Thousands

Particulars	Computer Software	Total Intangible assets
Gross carrying amount		
Opening gross carrying amount	2,063.77	2,063.77
Closing gross carrying amount	<u>2,063.77</u>	<u>2,063.77</u>
Accumulated amortisation		
Opening accumulated amortisation	2,063.77	2,063.77
Closing accumulated amortisation	<u>2,063.77</u>	<u>2,063.77</u>
Net carrying amount	-	-

5. Other Intangible assets and Goodwill As At March 31, 2023

In ₹ Thousands

Particulars	Computer Software	Total Intangible assets
Gross carrying amount		
Opening gross carrying amount	2,063.77	2,063.77
Closing gross carrying amount	<u>2,063.77</u>	<u>2,063.77</u>
Accumulated amortisation		
Opening accumulated amortisation	2,063.77	2,063.77
Closing accumulated amortisation	<u>2,063.77</u>	<u>2,063.77</u>
Net carrying amount	-	-



Ergo Design Private Limited  
Schedules to the Balance Sheet as at March 31, 2024

	In ₹ Thousands	
	As At March 31, 2024	As At March 31, 2023
<b>6. Investments (Non-current)</b>		
(i) At Cost		
Investment in Equity instruments (fully paid-up) (Unquoted )		
Investments In Subsidiaries (wholly owned)		
Investments In Joint Ventures		
Investments in Partnership Firms		
(ii) At fair value through other comprehensive Income		
Investments in Equity Instruments-(fully paid-up) (Quoted)		
Investments In Preference Shares		
Investments In Government Or Trust Securities		
Investments In Debentures Or Bonds		
Investment in Equity instruments (fully paid-up) (Unquoted)		
<b>Total</b>	-	-
<b>8. Other financial assets (Non-current)</b>		
Security deposits	1,847.18	1,847.18
<b>Total</b>	<b>1,847.18</b>	<b>1,847.18</b>
<b>11. Trade receivables</b>		
Unsecured, considered good	2,873.00	4,227.26
Unsecured, considered doubtful	-	-
	2,873.00	4,227.26
Less: Allowance for doubtful debts(expected credit loss allowance)	-	-
<b>Total</b>	<b>2,873.00</b>	<b>4,227.26</b>
<b>12. Cash and cash equivalents</b>		
(a) Cash on hand	3.98	8.67
(c) Balance with banks		
- In current accounts	1,491.62	2,880.77
<b>Total</b>	<b>1,495.60</b>	<b>2,889.44</b>
<b>14. Loans (Current)</b>		
<b>Loans considered good - Unsecured</b>		
Loan to employees	-	12.00
	-	12.00
<b>Loans- Credit impaired</b>		
	-	12.00
<b>Total</b>	-	12.00
<b>15. Other financial asset</b>		
Derivative instruments not designated as hedges		
Derivative instruments designated as hedges		
Interest rate swap	-	-
Others		
<b>16. Other current assets</b>		
Prepaid expenses	33.48	35.18
Balance with Government authorities	172.27	26.20
Others*	1,121.20	1,249.25
<b>Total</b>	<b>1,326.96</b>	<b>1,310.63</b>

\*Amount includes Gratuity Asset [Refer Note no: 16(a)]



16(a) Employee benefit obligations

(i) Post-employment benefit obligations - Gratuity

The company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity is a funded plan and the company makes contribution to recognised fund in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

In ₹ Thousands

Particulars	Present value of obligation	Fair value of plan assets	Total
	(A)	(B)	(A)-(B)
April 01, 2022	1,072.96	2,229.05	(1,156.09)
Current service cost	179.65	-	179.65
Past service cost	-	-	-
Interest expense/ income	75.11	148.90	(73.80)
<b>Total amount recognised in profit or loss</b>	<b>254.76</b>	<b>148.90</b>	<b>105.85</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions*	-	-	-
(Gain)/loss from change in financial assumptions*	(134.49)	-	(134.49)
Experience (gains)/losses	-	-	-
Changes in asset ceiling excluding amounts included in interest expense	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>(134.49)</b>	<b>-</b>	<b>(134.49)</b>
Employer contributions	-	3.90	(3.90)
Benefit payments	(0.08)	(0.08)	-
<b>March 31, 2023</b>	<b>1,193.14</b>	<b>2,381.76</b>	<b>(1,188.62)</b>

\*to be construed as gain / (loss) for column 'B'.

In ₹ Thousands

Particulars	Present value of obligation	Fair value of plan assets	Total
	(A)	(B)	(A)-(B)
April 01, 2023	1,193.14	2,381.76	(1,188.62)
Current service cost	167.70	-	167.70
Past service cost	-	-	-
Interest expense/ income	86.50	150.83	(64.32)
<b>Total amount recognised in profit or loss</b>	<b>254.20</b>	<b>150.83</b>	<b>103.38</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions*	-	-	-
(Gain)/loss from change in financial assumptions*	(17.78)	-	(17.78)
Experience (gains)/losses	-	-	-
Changes in asset ceiling excluding amounts included in interest expense	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>(17.78)</b>	<b>-</b>	<b>(17.78)</b>
Employer contributions	-	5.65	(5.65)
Benefit payments	(60.64)	(60.64)	-
<b>March 31, 2024</b>	<b>1,368.93</b>	<b>2,477.60</b>	<b>(1,108.67)</b>

\*to be construed as gain / (loss) for column 'B'.

The net liability disclosed above relates to funded and unfunded plans are as follows:

In ₹ Thousands

Particulars	March 31, 2024	March 31, 2023
Present value of funded obligations	1,368.93	1,193.14
Fair value of plan assets	2,477.60	2,381.76
<b>Deficit/(Surplus) of funded plan</b>	<b>(1,108.67)</b>	<b>(1,188.62)</b>



Ergo Design Private Limited  
Schedules to the Balance Sheet as at March 31, 2024

	In ₹ Thousands	
	As At March 31, 2024	As At March 31, 2023
<b>17. Equity Share capital</b>		
<b>Authorised</b>		
Equity shares of ₹ 1 each/- : ₹ 300 million		
<b>Issued, Subscribed and fully paid up</b>		
Equity shares of ₹ 1 each/-	100.00	100.00
<b>Total</b>	<u>100.00</u>	<u>100.00</u>
		In ₹ Thousands
<b>18. Other Equity</b>	As At March 31, 2024	As At March 31, 2023
<b>Reserves &amp; Surplus</b>		
Retained earnings	6,142.48	5,787.98
<b>Total</b>	<u>6,142.48</u>	<u>5,787.98</u>
		In ₹ Thousands
<b>18. Other equity- Movement during the year</b>	As At March 31, 2024	As At March 31, 2023
<b>a) Capital reserve</b>		
Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Closing balance</b>	<u>-</u>	<u>-</u>
<b>b) Securities Premium reserve</b>		
Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Closing balance</b>	<u>-</u>	<u>-</u>
<b>c) Statutory reserve</b>		
Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Closing balance</b>	<u>-</u>	<u>-</u>
<b>d) General reserve</b>		
Opening balance	-	-
Additions during the year	-	-
Deductions/adjustments during the year	-	-
<b>Closing balance</b>	<u>-</u>	<u>-</u>
<b>e) Share option outstanding account</b>		
Opening balance	-	-
<b>Closing balance</b>	<u>-</u>	<u>-</u>
<b>f) Retained earnings</b>		
Opening balance	5,787.98	4,478.72
Net profit for the period	336.72	1,443.74
Item of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	17.78	(134.49)
<b>Appropriations</b>		
Dividend on equity shares	-	-
<b>Closing balance</b>	<u>6,142.48</u>	<u>5,787.98</u>





Ergo Design Private Limited  
Schedules to the Balance Sheet as at March 31, 2024

g) Treasury Stock

Opening balance - -

h) Other Reserves

FVOCI - Equity instruments

Opening balance - -

Additions during the year - -

Deductions/adjustments during the year - -

Closing balance - -

Cash flow hedge reserve

Opening balance - -

Changes in fair value of interest rate swap (net of tax) - -

Deductions/(Adjustments) during the year - -

Closing balance - -

Foreign currency translation reserve

Changes in Foreign currency translation reserve - -

Add/less: Amounts recognized in Profit or loss on loss of control over subsidiary - -

Closing balance - -

i)Capital Redemption Reserve

j)Revaluation Reserve

22.Trade payables

Others

Other creditors 675.65 2,343.97

Total 675.65 2,343.97

23.Other financial liabilities

Derivatives not designated as hedges

Derivative instruments designated as hedges

Others

Employee benefit expenses payable 10.00 10.00

Total 10.00 10.00

25.Other current liabilities

Advances received from customers 2,381.21 2,381.21

Statutory payable 584.80 819.84

Total 2,966.00 3,201.04



Ergo Design Private Limited  
Schedules to the Balance Sheet as at March 31, 2024

	As At March 31, 2024	In ₹ Thousands As At March 31, 2023
<b>26. Income taxes</b>		
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year	291.69	196.81
<b>Total current tax expense</b>	<b>291.69</b>	<b>196.81</b>
Deferred tax		
Decrease/(increase) in deferred tax assets	-	39.10
<b>Total deferred tax expense/ (benefit)</b>	<b>-</b>	<b>39.10</b>
<b>Income tax expense</b>	<b>291.69</b>	<b>235.91</b>
<b>(b) Income tax assets/ liabilities</b>		
(i) Current tax assets (net)	2,294.45	1,059.61
(ii) Current tax liabilities (net)	-	-
<b>Net current tax asset/ (liability) at the end of the year</b>	<b>2,294.45</b>	<b>1,059.61</b>
<b>Movement during the year:</b>		
Opening balance	1,059.61	1,130.40
Add: Income tax paid during the year	1,526.54	126.01
Less: Current tax payable for the year	(291.69)	(196.81)
Income tax on other comprehensive income	-	-
Less : MAT credit adjusted	-	-
<b>Closing balance</b>	<b>2,294.45</b>	<b>1,059.61</b>
<b>(c) Deferred tax assets / liabilities</b>		
(i) Deferred tax assets (net)	85.38	85.38
(ii) Deferred tax liabilities	-	-
<b>Net deferred tax asset/(liability) at the end of the year</b>	<b>85.38</b>	<b>85.38</b>
<b>Movement during the year</b>		
Net deferred tax asset/ (liability) at the beginning of the year	85.38	124.49
Credits/ (Charge) in Profit and loss relating to temporary differences	-	(39.10)
Credits/ (Charge) in Other comprehensive income on account of timing differences	-	-
Translation differences	-	-
<b>Net deferred tax asset/(liability ) at the end of the year</b>	<b>85.38</b>	<b>85.38</b>



## Ergo Design Private Limited

## Schedules to the Profit &amp; Loss Account for the year/period ended March 31, 2024

	In ₹ Thousands	
	April 01, 2023 to March 31, 2024	April 01, 2022 to March 31, 2023
<b>27. Revenue from operations</b>		
Revenue from contracts with customers		
Sale of services	21,860.00	19,683.04
<b>Total</b>	<u>21,860.00</u>	<u>19,683.04</u>
<b>28. Other income</b>		
Interest income - Others	60.31	60.73
<b>Total</b>	<u>60.31</u>	<u>60.73</u>
<b>29. Cost of material consumed</b>		
Opening stock of raw materials	-	-
Purchases	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
Less:		
Inventory of materials at the end of the year	-	-
<b>Cost of material consumed</b>	<u>-</u>	<u>-</u>
*excludes R&D inventory		
<b>31. Changes in inventories of finished goods, work-in-progress and traded goods</b>		
<b>Opening inventory*</b>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Closing inventory*</b>		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>Net change in inventory</b>	<u>-</u>	<u>-</u>
*excludes R&D inventory		
<b>32. Employee benefit expenses</b>		
Salaries, wages and bonus	13,909.00	10,953.87
Contribution to Provident fund & Superannuation scheme	477.31	481.78
Gratuity	103.38	(28.63)
Staff welfare expenses	360.73	191.66
<b>Total</b>	<u>14,850.41</u>	<u>11,598.67</u>



Ergo Design Private Limited

Schedules to the Profit & Loss Account for the year/period ended March 31, 2024

**33. Finance costs**

Interest expense (relating to lease liabilities)	1,000.96	507.74
<b>Total</b>	<b>1,000.96</b>	<b>507.74</b>

**34. Depreciation and amortisation expense**

Depreciation of property, plant and equipment	123.08	121.92
Depreciation of right of use assets	2,931.18	2,893.05
<b>Total</b>	<b>3,054.26</b>	<b>3,014.97</b>

**35. Other expenses**

Consumption of stores	27.73	-
<b>Repairs and maintenance</b>		
-Building	440.26	241.90
-Others	400.22	522.95
Communication expenses	63.09	63.58
Power and fuel	481.35	429.28
Travelling & conveyance	230.98	79.93
Printing and stationery	34.51	17.14
Rates and taxes	2.50	7.50
Payment to the auditors	60.00	60.00
Subscription & membership	74.27	78.95
Rent	-	927.50
Legal and consultancy charges	131.21	142.10
Miscellaneous expenses	440.15	371.91
<b>Total</b>	<b>2,386.27</b>	<b>2,942.74</b>



Ergo Design Private Limited  
Schedules to the Balance Sheet as at March 31, 2024  
36(a) Trade Receivable - Aging

In ₹ Thousands

Particulars	Outstanding for following periods from the due date of payment						Unbilled	Total
	Not due	Less than 6 months	6 months-1Year	1-2 Years	2-3Years	More than 3Years		
As at March 31, 2024								
(a) Related parties	2,873.00	-	-	-	-	-	-	2,873.00
(b) Others	-	-	-	-	-	-	-	-
(i) Undisputed tradereceivable-considered good	-	-	-	-	-	-	-	-
(ii) Undisputed tradereceivable-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed tradereceivable-credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed tradereceivable-considered good	-	-	-	-	-	-	-	-
(v) Disputed tradereceivable-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Disputed tradereceivable-credit impaired	-	-	-	-	-	-	-	-
	<b>2,873.00</b>	-	-	-	-	-	-	<b>2,873.00</b>
As at March 31, 2023								
(a) Related parties	2,950.00	1,277.26	-	-	-	-	-	2,950.00
(b) Others	-	-	-	-	-	-	-	-
(i) Undisputed tradereceivable-considered good	-	-	-	-	-	-	-	-
(ii) Undisputed tradereceivable-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed tradereceivable-credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed tradereceivable-considered good	-	-	-	-	-	-	-	-
(v) Disputed tradereceivable-which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Disputed tradereceivable-credit impaired	-	-	-	-	-	-	-	-
	<b>2,950.00</b>	<b>1,277.26</b>	-	-	-	-	-	<b>2,950.00</b>

36(b) Trade Payables - Aging

In ₹ Thousands

Particulars	Outstanding for following periods from the due date of payment						Unbilled	Total
	Not due	Less than 6 months	6 months-1Year	1-2 Years	2-3 Years	More than 3Years		
As at March 31, 2024								
(i) Related parties (Parent & Subsidiaries controlled by the parent)	-	-	-	-	-	-	-	-
(ii) Others	390.77	-	-	-	-	-	-	390.77
	<b>390.77</b>	-	-	-	-	-	-	<b>390.77</b>
As at March 31, 2023								
(i) Related parties (Parent & Subsidiaries controlled by the parent)	-	-	-	-	-	-	-	-
(ii) Others	2,343.97	-	-	-	-	-	-	2,343.97
	<b>2,343.97</b>	-	-	-	-	-	-	<b>2,343.97</b>



**Ergo Design Private Limited**

**Related party transactions**

**(a) Parent entities**

The group is controlled by following entity:

Name of entity	Type	Place of business	Ownership interest held by the group	
			March 31, 2024	March 31, 2023
ELGI EQUIPMENTS LITD	LIMITED	INDIA	100%	100%

**(b) Fellow Subsidiaries**

ATS ELGI LIMITED	LIMITED	INDIA	0%	0%
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**(c) Associates**

ELGI ULTRA PRIVATE LIMITED	LIMITED	INDIA	0%	0%
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**(d) Transactions with related parties**

The following transactions occurred with related parties:

In ₹ Thousands

ELGI EQUIPMENTS LIMITED, COIMBATORE	March 31, 2024	March 31, 2023
Service Provided	8,740.00	7,874.00
Amount receivable	1,123.20	2,252.85
Amount payable	2,381.21	2,381.21

ATS ELGI LIMITED	March 31, 2024	March 31, 2023
Services Provided	4,380.00	3,936.00
Amount receivable	604.60	683.50

ELGI ULTRA PRIVATE LIMITED	March 31, 2024	March 31, 2023
Services Provided	8,740.00	7,874.00
Amount receivable	1,145.20	1,290.90

**(c) Terms and conditions**

Services were rendered to related party based on the price list in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates. All outstanding balances are unsecured and are repayable in cash.



**Ergo Design Private Limited**  
**Disclosure of Ratios in the Financial Statements for the period ended 31-Mar-2024**

Ratio	Formula Applied	FY 2023-24	FY 2022-23	Variance	Reasons for Variance
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	$\frac{5695.55}{6317.29}$ 0.9	$\frac{8439.32}{7861.55}$ 1.07349	0.173493	Increase in trade receivables due to growth in sales operations.
Return on Equity Ratio	$\frac{\text{Net Profit after taxes}}{\text{Average Shareholders' Equity}}$	$\frac{0}{6065.225}$ 0.00	$\frac{0}{5233.35}$ 0	0.00	
Return on Capital Employed	$\frac{\text{Earning Before Interest and Taxes}}{\text{Capital Employed}}$	$\frac{646.18}{6242.47}$ 0.10	$\frac{1545.16}{5887.98}$ 0.26243	0.16	
Return on Investment	$\frac{\text{Earning After Taxes}}{\text{Average Shareholders' Equity}}$	$\frac{0}{6065.225}$ 0.00	$\frac{0}{5233.35}$ 0	0.00	
Trade Receivable Turnover Ratio	$\frac{\text{Revenue from operations}}{\text{Average Accounts Receivable}}$	$\frac{21860.00}{3550.13}$ 6.16	$\frac{19683.04}{3283.29}$ 5.99491	-0.16	Increase in credit period
Net Capital Turnover Ratio	$\frac{\text{Revenue from operations}}{\text{Working Capital}}$	$\frac{21860.00}{-621.74}$ -35.16	$\frac{19683.04}{577.77}$ 34.0673	69.23	The company has engaged in service activities and its working capital requirement is low compared to its turnover
Net Profit Ratio	$\frac{\text{Net Profit}}{\text{Net Sales}}$	$\frac{0}{21860.00}$ 0.00	$\frac{0}{19683.04}$ 0	0.00	
Debt Equity Ratio	$\frac{\text{Total Debt}}{\text{Shareholders' Equity}}$	Not applicable	Company has no debt during the year		
Debt Service Coverage Ratio	$\frac{\text{Earnings available for Debt Service}}{\text{Debt Service}}$	Not applicable	Company has no debt during the year		
Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold/Sales}}{\text{Average Inventory}}$	Not applicable	Company primarily engaging in service sector		
Trade Payable Turnover Ratio	$\frac{\text{Net Credit Purchases}}{\text{Average Trade Payables}}$	Not applicable	Company primarily engaging in service sector		



Absolute difference has been considered as an appropriate measure for variance. Only variance more than 0.25 were explained

### 39. Financial risk management

The company's risk management is carried out by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

#### (A) Credit risk

Credit risk arises from cash and cash equivalents, and deposits with banks, as well as credit exposures in outstanding receivables. For banks and financial institutions, only high rated banks/institutions are accepted.

Credit risk is managed on a company basis. For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the company deals with only group Companies and hence the board is of the view that there are no credit risks.

Year ended 31 March 2024:

(a) Expected credit loss for loans and security deposits and investments:	NIL
(b) Expected credit loss for trade receivables under simplified approach:	NIL

Year ended 31 March 2024:

(a) Expected credit loss for loans, security deposits:	NIL
(b) Expected credit loss for trade receivables under simplified approach:	NIL

#### (B) Liquidity risk

Financing arrangements: NIL

#### (C) Market risk

Foreign currency risk: NIL, as there are no Foreign Currency transactions.

### 40. Other information

- The company does not own any Immovable properties during the reporting period.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons(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 to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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.
- The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as Income during the period in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income tax Act, 1961.





Ergo Design Private Limited

Notes forming part of financial statements for the year ended March 2024

- The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- There are no events occurring after the Balance Sheet date that require adjustment or disclosure.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous period.
- The provisions of Section 135 of the Companies Act 2013 relating to the corporate social responsibilities are not applicable to the company.
- Previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period classification.

Coimbatore

24.05.2024

"As per our report of even date"

For RJC Associates

Chartered Accountants

Firm Registration No: 03496S

For and on behalf of the Board



Veluthedath Parambil Vijaya Kumar  
Director

DIN: 01669038



Kuppachi Venumadhav  
Director

DIN: 08272900



R. Jeyachandran

Partner

Membership No: 021848

