

S S Kothari Mehta & Co. LLP
Chartered Accountants
Plot no. 68 Okhla Industrial Area, Phase -III
New Delhi- 110020

Jagdish Sapra & Co. LLP
Chartered Accountants
23 Prakash Apartments, 5, Ansari Road, Darya Ganj
New Delhi-110002

Independent Auditor's Report

To the Members of SMPP Ammunition Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **SMPP Ammunition Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income / (Loss)), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information (herein after referred to as "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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian 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 31 March, 2025, and its profit, total comprehensive profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 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 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 statement.

Key Audit Matters

Key Audit Matters (KAM) are those matters that, in our professional judgement were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's Report including annexures to Director's Report and Shareholder information's but does not include the Financial Statements and our auditor's 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. Based on the records, information and explanation provided, we have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income / loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS").

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 misstatements, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 Companies Act, 2013, 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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 Companies Act, 2013, we give in "**Annexure – A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, based on our audit, 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 purpose 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 /(loss), Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
- On the basis of the written representations received from the Directors as on 31st March, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025, from being appointed as a director in terms of Section 164(2) of the Act;
- 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.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

As per the information and explanation given to us and on the basis of our examination of the records, the company has been not been paid or provided managerial remuneration during the year.

- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- I. The Company has disclosed that there is no impact of pending litigations on its financial position in the financial statements - Refer Note 25 to the Financial Statement;
- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- IV. A) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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;
B) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- V. The company has not declared or paid any dividend during the year, therefore reporting under this clause is not applicable.

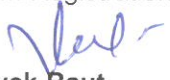


- VI. Based on our examination, which includes test checks and as described in note no 29 of the Financial Statement, the company has utilized tally, an accounting software for maintaining its books of account. Tally includes an audit trail (edit log) feature that has been consistently used w.e.f 12th April 2023 for all relevant transactions recorded in the software. Due to tally's integrated application and database, establishing audit trail functionality specifically for the tally database is not feasible. The audit trail has been preserved by the company as per the statutory requirements for record retention at application level w.e.f 12th April 2023.

During the course of our audit, we did not come across any instance of the audit trail feature being tempered.

For **S S Kothari Mehta & Co. LLP**

Chartered Accountants
Firm Registration No. 000756N/N500441


Vivek Raut
Partner
Membership No. 097489
UDIN: 25097489BNUIUE9112



Place: New Delhi
Date: 31st July 2025

For **Jagdish Sapra & Co. LLP**

Chartered Accountants
Firm Registration No. 001378N /N500037


Vipal Kumar Kalra
Partner
Membership No. 084583
UDIN: 25084583BMLJYQ6510



**"ANNEXURE – A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMPP
Ammunition Private Limited**

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirement's "section

- (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 not any intangible assets, therefore reporting under this clause is not applicable.
- (b) The Company has physically verified these Property, Plant and Equipment as per its program of physical verification that covers every item of Property, Plant and Equipment over a period of three years. According to information and explanation given to us, no material discrepancies were noticed during the year on such verification done as per the program.
- (c) The company has not any immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in Favor of the lessee), therefore reporting under this clause is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
- (e) As per information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory, therefore reporting under this clause is not applicable.
- (b) The company has not been sanctioned working capital limits in excess of 5 crore rupees during the year, therefore reporting under this clause is not applicable.
- (iii) The Company has not made any investments in, 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.
- (iv) According to the information and explanation given to us and based on our examination, the Company has not given loans, investment, guarantees and securities, therefore reporting under this clause is not applicable.
- (v) According to the information and explanation given to us and based on our examination, the Company has not accepted any deposit or amounts which are deemed to be deposits during the year. Further, we have not come across any such deposits nor the management has reported any such deposits, therefore the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder is not applicable.
- (vi) As per the requirement under section 148(1) of Companies Act, 2013 the Central government has not prescribed for maintenance of the cost records for the Company.



- (vii) (a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, service tax, duty of customs, duty of excise, Value added tax, cess and other material statutory dues to the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited on account of any dispute.
- (viii) According to the information and explanation given to us and based on our examination, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanation given to us and based on our examination, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanation given to us and based on our examination, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us and based on our examination, the term loans were applied for the purpose for which loans were obtained.
- (d) Based on examination of records and information and explanation given to us, the Company has not raised any short-term funds. Hence, reporting under paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (e) The company has no subsidiaries, associate or joint venture and therefore reporting under this sub clause (e) and (f) of Clause (ix) are not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and therefore reporting under this clause is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and therefore reporting under this clause is not applicable.
- (xi) (a) According to the information and explanations given to us and based on our examination, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act 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) According to the information and explanation given to us and based on our examination, there is no whistle-blower complaints received during the year by the company.
- (xii) The Company is not a Nidhi Company, therefore reporting under this clause is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination, transactions with the related parties are in compliance with 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements in note no 26 as required



by the applicable Accounting Standards; and the approval for related parties' transactions under section 177 is not required as there is no requirement of constitution of audit committee in the Company as per the relevant applicable provisions and rules.

- (viii) (a) According to the information and explanation given to us and based on our examination, in our opinion, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013." therefore reporting under this clause is not applicable.
- (ix) According to the information and explanation given to us and based on our examination, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Therefore, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (x) (a) As per the information and explanation given to us and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) As per the information and explanation given to us and based on our examination, in continuation of sub clause (a) of above clause (xvi) as there is no requirement to be registered under section 45- IA of the Reserve Bank of India Act, 1934 and the Company has not conducted any Non- Banking Financial or Housing Finance activities therefore, reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) As per the information and explanation given to us and based on our examination, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, therefore reporting under clause 3 (xvi) (c) of the order is not applicable.
- (d) As per the information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and therefore reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xi) The Company has not incurred cash losses during the financial year covered by our audit and in previous year company has incurred cash losses amounting to INR 0.34 Million.
- (xii) There has been no resignation of the statutory auditors of the Company during the year, therefore reporting under clause (xviii) is not applicable.
- (xiii) According to the information and explanations given to us and 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 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. 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 discharged by the Company as and when they fall due.



- (xiv) As per the information and explanation given to us, the Company is not required to contribute towards Corporate Social Responsibility as specified in Schedule VII of the Companies Act, 2013. therefore, reporting under paragraph 3(xx) (a) & (b) of the Order is not applicable to the Company for the year.

For **S S Kothari Mehta & Co. LLP**

Chartered Accountants
Firm Registration No. 000756N/N500441


Vivek Raut
Partner
Membership No. 097489
UDIN: 25097489BNUIUE9112



Place: New Delhi
Date: 31st July 2025

For **Jagdish Sapra & Co. LLP**

Chartered Accountants
Firm Registration No. 001378N /N500037


Vipal Kumar Kalra
Partner
Membership No. 084583
UDIN: 25084583BMLJYQ6510



"ANNEXURE – B" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SMPP Ammunition Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of **SMPP Ammunition Private Limited** ("the Company") as of 31 March 2025 in conjunction with our audit of the 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 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.

Auditor's 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") issued by Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, including the assessment of the risks of material misstatement of the 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 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:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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
- c) 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

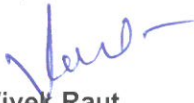
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2025, 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 S S Kothari Mehta & Co. LLP

Chartered Accountants
Firm Registration No. 000756N/N500441

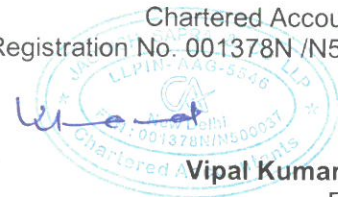

Vivek Raut
Partner
Membership No. 097489
UDIN: 25097489BNUJUE9112



For Jagdish Sapra & Co. LLP

Chartered Accountants
Firm Registration No. 001378N/N500037


Vipal Kumar Kalra
Partner
Membership No. 084583
UDIN: 25084583BMLJYQ6510



SMPP AMMUNITION PRIVATE LIMITED
BALANCE SHEET as at 31st March, 2025
(All amounts are Rs. in Millions, unless otherwise stated)

PARTICULARS	Note No.	As at 31st March, 2025	As at 31st March, 2024
ASSETS			
(1) Non- Current Assets			
(a) Property Plant & Equipment	3	2.13	0.35
(b) Capital Work in Progress	4	87.15	11.01
(c) Right of use of Assets	5	3.15	3.19
(d) Other Financial Assets	8	0.34	0.33
(e) Deferred Tax Assets(Net)	6	0.18	0.22
Total Non Current Assets		92.96	15.10
(2) Current Assets			
(a) Financial Assets			
(i) Cash and Cash equivalents	7	385.83	1.84
(ii) Other Current Assets	9	834.94	6.64
Total Current Assets		1,220.77	8.48
Total Assets		1,313.73	23.57
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Shares Capital	10	2.00	2.00
(b) Other Equity	11	(0.02)	(1.48)
Total Equity		1.98	0.52
(2) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities		-	-
Total Non-Current Liabilities		-	-
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	1,070.97	22.89
(b) Trade Payables	13	-	-
- Total outstanding dues of Micro Enterprises and Small Enterprises and		-	-
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		-	0.02
(c) Other Financial Liabilities	14	0.92	0.12
(d) Other Current Liabilities	15	239.86	0.02
Total Current Liabilities		1,311.75	23.05
Total Liabilities		1,311.75	23.05
Total Equity and Liabilities		1,313.73	23.57

Summary of material accounting policies 1-2
The accompanying notes form integral part of the financial statements. 3-31
As per our report of even date attached

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm Registration No. : 000756N/N500441


Vivek Raut
Partner
Membership No. : 097489



Place: New Delhi
Date: 31st July, 2025

For Jagdish Sapra & Co LLP
Chartered Accountants
Firm Registration No: 001378N/N500037


Vipal Kumar Kalra
Partner
Membership No: 084583

Place: New Delhi
Date: 31st July, 2025

For and on behalf of the Board of Directors of
SMPP Ammunition Private Limited


Dr. Shiv Chand Kansal
Managing Director
DIN: 00048385


Dr. Madhu Kansal
Director
DIN: 00736029



SMPP AMMUNITION PRIVATE LIMITED**Statement of Profit and Loss for the year ended 31st March 2025**

(All amounts are Rs. in Millions, unless otherwise stated)

Particulars	Note No.	For the year ended 31.03.2025	For the year ended 31.03.2024
I. INCOME			
(a) Revenue from operations	16	-	-
(b) Other income	17	1.74	-
Total Income		1.74	-
II. EXPENDITURE			
(a) Employee Benefits Expenses	18	-	-
(b) Finance Cost	19	-	-
(c) Depreciation and Amortization expense	20	0.03	0.11
(d) Other Expenses	21	0.21	0.32
Total Expenses		0.24	0.43
III. Profit / (Loss) before Tax (I-II)		1.50	(0.43)
IV. Tax Expense :	22		
Current Tax		-	-
Deferred Tax		0.04	0.02
Income Tax charge/(credit) for earlier years		-	-
Total tax expenses		0.04	0.02
V. Profit/(Loss) for the period (III-IV)		1.46	(0.45)
VI. Other comprehensive income/(Loss)	23		
(a) Items that will not be reclassified to statement of - Remeasurement of post-employment benefit plans		-	-
(b) Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income/(loss)		-	-
VII. Total comprehensive loss for the Period ended		1.46	(0.45)
VIII. Earnings per equity share in Rs (Face value	24		
Basic		72.90	(22.57)
Diluted		72.90	(22.57)

Summary of material accounting policies

1-2

The accompanying notes form integral part of the financial statements.

3-31

As per our report of even date attached**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration No. : 000756N/N500441

Vivek Raut

Partner

Membership No. : 097489



Place: New Delhi

Date: 31st July, 2025

For Jagdish Sapra & Co LLP

Chartered Accountants

Firm Registration No.001378N/N500037

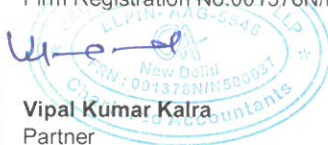
Vipal Kumar Kalra

Partner

Membership No.084583

Place: New Delhi

Date: 31st July, 2025

For and on behalf of the Board of Directors of
SMPP Ammunition Private Limited**Dr. Shiv Chand Kansal**

Managing Director

DIN: 00048385

Dr. Madhu Kansal

Director

DIN: 00736029



SMPP AMMUNITION PRIVATE LIMITED
Statement of cash flow for the year ended 31 March 2025

(All amounts are Rs. in Millions, unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A. Cash flow from operating activities		
Profit / (Loss) before tax for the Year	1.50	(0.43)
Adjustment for:		
Depreciation	0.03	0.11
Interest Income	(1.73)	-
Operating profit before working capital changes	(0.20)	(0.32)
Movement in working capital:		
Adjustment for Decrease/(increase) in Operating Assets:		
Other current assets	(827.85)	0.69
Other financial assets	(0.01)	(0.33)
Adjustment for increase/(decrease) in Operating Liabilities:		
Other current liabilities	239.85	0.12
Other Financial Liabilities	0.80	-
Trade Payables	(0.02)	(0.06)
Cash generated by/(used in) from Operations	(587.44)	0.10
Less : Taxes paid (Net of refund)	-	-
Net Cash generated by/(used in) from Operating activities	(587.44)	0.10
B. Cash flow from investing activities		
Addition to Capital work in Progress	(37.97)	(10.99)
Purchase of fixed assets	(1.78)	(0.43)
Interest Received	4.09	-
Net Cash generated by/(used in) from Investing activities	(35.66)	(11.41)
C. Cash flow from financing activities:		
Proceeds from Borrowings	1,070.46	12.66
Repayment of Borrowings	(35.92)	-
Interest paid	(24.64)	-
Net Cash generated by/(used in) from Financing activities	1,009.90	12.66
D Net increase in cash and cash equivalent (A+B+C)	386.80	1.35
E Cash and cash equivalent at the beginning of the Year	1.84	0.49
Cash and cash equivalent at the end of the Year (D+E)	385.83	1.84

Components of cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balance with banks		
- In current accounts	231.78	1.59
Cash in Hand	0.22	0.25
Bank Deposit with Original maturity of less than 3 months	153.83	-
Total	385.83	1.84

Notes

- The above cash flow statement has been prepared under the "indirect method" as set out in Ind As 7 on cash flow statements
- Figures in bracket indicate cash outflow/ loss.
Refer Note 28.1

As per our report of even date attached
For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm Registration No. : 000756N/N500441

Vivek Raut

Partner

Membership No. : 097489



Place: New Delhi

Date: 31st July, 2025

For Jagdish Sapra & Co. LLP

Chartered Accountants

Firm Registration No. 001378N/N500037

Vipal Kumar Kalra

Partner

Membership No. 084583



Place: New Delhi

Date: 31st July, 2025

**For and on behalf of the Board of Directors of
SMPP AMMUNITION PRIVATE LIMITED**

Dr. Shiv Chand Kansal

Director

DIN: 01023469

Dr. Madhu Kansal

Director

DIN: 00736029



SMPP AMMUNITION PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31st March 2025
 (All amounts are Rs. in Millions, unless otherwise stated)

a. Equity Share Capital

Balance as at 1 st April 2024	Changes in Equity Share Capital due to prior period	Restated balance as at 1 st April 2024	Changes in Equity Share Capital during the year	Balance as at 31 st March 2025
2.00	-	2.00	-	2.00

Balance as at 1 st April 2023	Changes in Equity Share Capital due to prior period	Restated balance as at 1 st April 2023	Changes in Equity Share Capital during the year	Balance as at 31 st March 2024
2.00	-	2.00	-	2.00

b. Other equity

Particulars	Reserves and Surplus	Other Comprehensive Income	Total
	Retained earnings	Remeasurement of post-employment benefit plans	
Balance as at 1 st April 2024	(1.48)	-	(1.48)
Profit / (Loss) for the year	1.46	-	1.46
Other comprehensive for the year (net of tax)	-	-	-
Balance as at 31 st March 2025	(0.02)	-	(0.02)

Particulars	Reserves and Surplus	Other Comprehensive Income	Total
	Retained earnings	Remeasurement of post-employment benefit plans	
Balance as at 1 st April 2023	(1.03)	-	(1.03)
Profit / (Loss) for the year	(0.45)	-	(0.45)
Other comprehensive for the year (net of tax)	-	-	-
Balance as at 31 st March 2024	(1.48)	-	(1.48)

Summary of material accounting policies
 The accompanying notes form integral part of the financial statements.
As per our report of even date attached

For S S Kothari Mehta & Co. LLP
 Chartered Accountants
 Firm Registration No. : 000750N/500441
 New Delhi

For Jagdish Sapra & Co LLP
 Chartered Accountants
 Firm Registration No. 001378N/500037
 New Delhi

Vivek Raut
 Partner
 Membership No. : 097489
 Place: New Delhi
 Date: 31st July, 2025

Vipal Kumar Kalra
 Partner
 Membership No. 084583
 Place: New Delhi
 Date: 31st July, 2025

For and on behalf of the Board of Directors of SMPP Ammunition Private Limited

Dr. Shiv Chand Kansal
 Managing Director
 DIN: 00048385

Dr. Madhu Kansal
 Director
 DIN: 00736029

SMPP AMMUNITION PRIVATE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31st March, 2025

1. Corporate Information

Background and nature of operations

SMPP Ammunition Private Limited, incorporated in November 2021 under the Companies Act 2013, is engaged in the business of providing design, development and upgrade, refurbishment and production of arms and ammunition. Currently the Company is developing the manufacturing facilities at Himachal Pradesh (HP).

1.1 Statement of compliance

The financial statements which are prepared in accordance with Indian Accounting Standards (Ind AS), as prescribed under section 133 of the Companies Act, 2013('the Act') (to the extent notified) read with the Rule 3 of the Companies (Indian Accounting Standard) Rules 2015 as amended and relevant amendment rules issued thereafter. These IND AS has been adopted w.e.f 1st April 2023 and the date of Transition is 1st April 2022.

1.2. Functional & Presentational Currency

The financial statements of the company are presented in Indian Rupees. The company has operations in India. The functional currency has been determined as Indian Rupee.

1.3 Basis of measurement

These financial statements have been prepared on an accrual and going concern basis under the historical cost convention except for the following assets and liabilities which have been measured at fair value:

- a) Certain financial assets and liabilities.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

All values are rounded to the nearest Millions (INR 000,000) except when otherwise indicated.

1.4 Use of estimates and judgement

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amount of income and expense for the period. Estimates and underlying assumptions are reviewed on ongoing basis.

The estimates and underlying assumptions made by management are explained under respective notes. Revisions to accounting estimates include useful lives of Property, Plant and Equipment, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, fair value/recoverable amount measurement, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.



NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT 31st March, 2025

2. Accounting Policies

2.1 Operating Cycle

Assets and liabilities (i.e. supply of products or service) are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

2.2 Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into a different level of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.6 Leases

Measurement and recognition of leases as a lessee

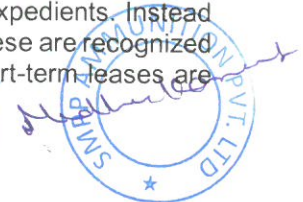
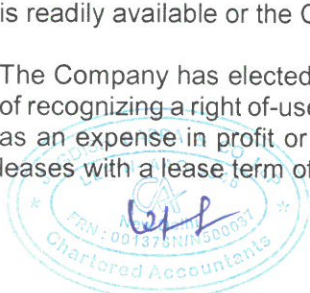
At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet.

The right-of-use asset is measured at cost, which comprises of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term. Short-term leases are leases with a lease term of 12 months or less.



**NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT 31st March, 2025**

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

2.8 Borrowing cost

Borrowing costs are interest and other costs incurred in connection with borrowing of funds. Borrowing costs attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of asset, until such time as the assets are substantially ready for the intended use or sale. Other borrowing costs are recognised as expense in the Profit or Loss in the period in which they are incurred.

2.10 Taxation

Income tax expense comprises Current tax and deferred tax. Current and deferred tax are recognised in the profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively

a) Current tax:

The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the profit or 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 Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred Tax:

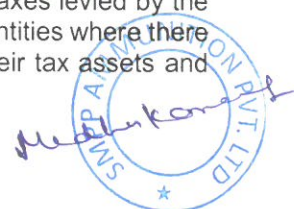
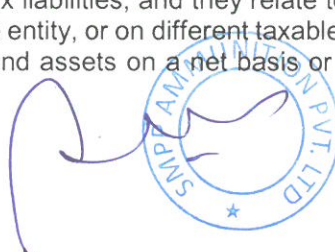
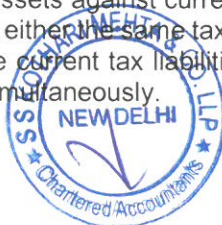
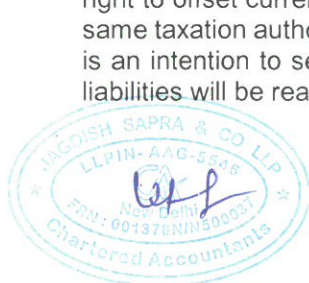
Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences 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.

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.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.



**NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT 31st March, 2025**

2.11 Property, plant and equipment

Property, Plant and Equipment are stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation / amortization and impairment loss if any. Cost of acquisition / construction includes all direct cost net of recoverable taxes and expenditures incurred to bring the asset to its working condition and location for its intended use.

Depreciation and Amortisation

Depreciation is recognised so as to write off the cost of assets (other than freehold land, right of use assets) and properties under construction) less their residual values over their useful lives, using the Written Down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation commences when the assets are ready for their intended use and Right of use assets are amortised using straight-line basis method.

Derecognition of PPE

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the Property, Plant and Equipment) is recognized in profit or loss when the Property, Plant and Equipment is derecognized.

Capital work-in-progress

Projects under which property, plant and equipment are not yet ready for their intended use are carried at cost less any recognised impairment loss. Cost comprises direct cost, related incidental expenses and borrowing cost. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

2.12 Impairment of assets

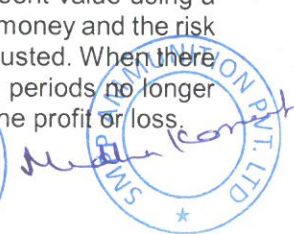
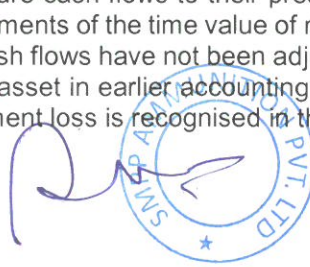
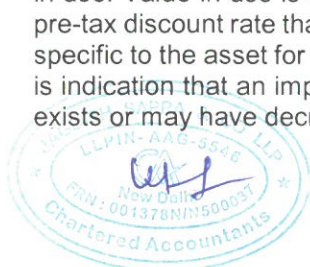
Impairment of financial assets

The Company recognizes loss allowances on a forward looking basis using the expected credit loss (ECL) model for all the financial assets. Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. The Company recognises impairment loss on trade receivables using expected credit loss model which involves use of a provision matrix constructed on the basis of historical credit loss experience and adjusted for forward-looking information as permitted under Ind AS 109.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as gain or loss in the Profit or Loss.

Impairment of non-financial assets:

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of the fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the profit or loss.



**NOTES FORMING PART OF FINANCIAL STATEMENTS
AS AT 31st March, 2025**

2.16 Financial Instruments

Recognition of financial assets:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments

Financial assets and liabilities are initially recognised at fair value except trade receivables which is measured at transaction price. Transaction costs that are directly attributable to financial assets and liabilities (other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)) are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in profit & loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in market place. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of financial assets.

A) Financial Assets

a) Classification and Measurement of financial assets:

i) Financial assets at Amortised cost:

A financial asset is measured at amortised cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ii) Financial Assets at Fair value through profit or loss (FVTPL):

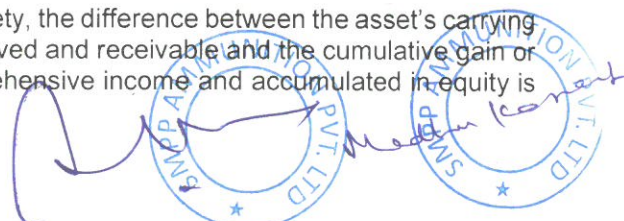
A financial asset that meets the amortised cost criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the profit or loss. The net gain or loss recognised in the profit or loss includes any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

b) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party and does not retain control of the assets. The Company continues to recognise the assets to the extent of Company's continuing involvement

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is



SMPP AMMUNITION PRIVATE LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT 31st March, 2025

recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset

B) Financial liabilities, classification, subsequent measurement and derecognition:

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..

Other Financial liabilities:

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities subsequently measured at amortised cost

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

2.17 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with bank. The Company considers all highly liquid investments with original maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

2.18 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



3 Property, Plant and Equipment (PPE)

Particulars	Land	Office Equipments	Plant & Machinery	Furniture & Fixture	Computer	Tools & Equipments	Total
Gross Block							
As at 1 st April 2024	-	-	-	0.43	-	-	0.43
Additions	-	0.02	1.91	0.02	0.01	0.12	2.08
Disposals	-	-	-	-	-	-	-
As at 31st March 2025	-	0.02	1.91	0.44	0.01	0.12	2.50
Accumulated Depreciation							
As at 1 st April 2024	-	-	-	0.08	-	-	0.08
Depreciation	-	0.01	0.18	0.09	0.00	0.02	0.30
Disposals	-	-	-	-	-	-	-
As at 31st March 2025	-	0.01	0.18	0.09	0.00	0.02	0.37
Net Carrying amount as at 31st March 2025	-	0.01	1.73	0.35	0.01	0.10	2.13

Particulars	Land	Office Equipments	Plant & Machinery	Furniture & Fixture	Computer	Tools & Equipments	Total
Gross Block							
As at 1 st April 2023	-	-	-	-	-	-	-
Additions	-	-	-	0.43	-	-	0.43
Disposals	-	-	-	-	-	-	-
As at 31st March 2024	-	-	-	0.43	-	-	0.43
Accumulated Depreciation							
As at 1 st April 2023	-	-	-	-	-	-	-
Depreciation	-	-	-	0.08	-	-	0.08
Disposals	-	-	-	-	-	-	-
As at 31st March 2024	-	-	-	0.08	-	-	0.08
Net Carrying amount as at 31st March 2024	-	-	-	0.35	-	-	0.35

Notes:

1. The Company has opted to continue with carrying value of all of its Property, Plant and Equipment as deemed cost and net carrying value under previous GAAP is recognised as gross carrying amount in Ind AS, on transition date i.e. 1st April 2022.

5 Right of Use Assets (ROU)

Particulars	Lease hold Rights	Total
Cost		
Right of use assets as on 1 st April 2024	3.19	3.19
Additions	-	-
Deletion	-	-
As at 31 st March 2025	3.19	3.19
Amortisation expenses during the year		
Adjustment on disposal of assets	0.03	0.03
As at 31 st March 2025	0.03	0.03
Net Carrying amount as at 31st March 2025	3.15	3.15

Particulars	Lease hold Rights	Total
Cost		
Right of use assets as on 1 st April 2023	3.22	3.22
Additions	-	-
Deletion	-	-
As at 31 st March 2024	3.22	3.22
Amortisation expenses during the year		
Adjustment on disposal of assets	0.03	0.03
As at 31 st March 2024	0.03	0.03
Net Carrying amount as at 31st March 2024	3.19	3.19

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expenses in the statement of Profit and Loss



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4 Capital Work in Progress

Particulars	As at 31st March, 2025	As at 31st March, 2024
Capital Work in Progress	87.15	11.01
Total	87.15	11.01

Capital work in progress ageing

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 31st March, 2025					
Projects in progress	76.14	11.01	-	-	87.15
Projects temporarily suspended*					
Total	76.14	11.01	-	-	87.15

Capital work in progress ageing

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 31st March, 2024					
Projects in progress	11.01	-	-	-	11.01
Projects temporarily suspended*	-	-	-	-	-
Total	11.01	-	-	-	11.01

*There are no projects as at reporting period where activity had been suspended. Also there are no projects as at the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

6 Deferred Tax Assets

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred Tax Assets (net)	0.18	0.22
Total	0.18	0.22

Movement in Deferred tax assets

Period till 31st March 2025	Opening Balance	Recognised in Statement of Profit & Loss (income)/Expense	Recognised in Other Comprehensive (Income)/ Loss	Closing Balance
Preliminary Expenses	0.22	0.07	-	0.15
Property Plant and equipments	-	(0.03)	-	0.03
Total	0.22	0.04	-	0.18

Movement in Deferred tax assets

Period till 31st March 2024	Opening Balance	Recognised in Statement of Profit & Loss (income)/Expenses	Recognised in Other Comprehensive (Income)/ Loss	Closing Balance
Preliminary Expenses	0.24	0.02	-	0.22
Property Plant and equipments	-	-	-	-
Total	0.24	0.02	-	0.22

Note:- Deferred tax asset not created on previous year losses

7 Cash and cash equivalents

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balances with banks		
- in current accounts	231.78	1.59
Cash on hand	0.22	0.25
Bank Deposit with Original maturity of less than 3 months	153.83	
Total	385.83	1.84

8 Other Financial Assets

Particulars	As at 31st March, 2025	As at 31st March, 2024
Security Deposits	0.34	0.33
Total	0.34	0.33

9 Other Current Assets

Particulars	As at 31st March, 2025	As at 31st March, 2024
Advances to Suppliers		
Advances for capital goods	820.17	
Advances other than capital goods	9.22	5.19
Prepaid Expenses	0.06	
Balances with Statutory/Government authorities		
- TDS Receivables	0.46	
- GST Receivables	5.03	1.45
Total	834.94	6.64



10 Share Capital

Particulars	As at 31st March, 2025	As at 31st March, 2024
Authorised Share Capital 20,000 (PY 20000) Equity Share of Rs. 100/- each	2.00	2.00
Issued, subscribed and paid-up capital 20,000 (PY 20000) Equity Share of Rs. 100/- each	2.00	2.00

Reconciliation of number of equity shares outstanding at the beginning and end of the period

Particulars	Number of shares	As at 31st March, 2025	Number of shares	As at 31st March, 2024
At the commencement of the year	20,000	2.00	20,000	2.00
Addition / deletion during the year	-	-	-	-
At the end of the year	20,000	2.00	20,000	2.00

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 100 each. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The Company has not declared any dividend during the year. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

Details of shares held by shareholders holding more than 5% of equity shares:

Name of Shareholders	As at 31st March 2025		As at 31st March 2024	
	Number of shares	% Holding	Number of shares	% Holding
SMPP Limited (Formerly known as SMPP Private Limited)	20,000	100.000%	19,999	99.995%
Total	20,000	100.000%	19,999	99.995%

Shares held by promoters at the end of period

Promoter Name	As at 31st March 2025		As at 31st March 2024	
	No of Shares	(%) of total share	No of Shares	(%) of total shares
SMPP Limited (Formerly known as SMPP Private Limited)	20,000	100.000%	19,999	99.995%
Total	20,000	100.000%	19,999	99.995%

Note: One share held by the Dr. Madhu Kansal (Key managerial person) in her individual capacity for which amount INR 100/- paid during the month Nov-21 was repaid dated 16th August

11 Other equity

Particulars	As at 31st March, 2025	As at 31st March, 2024
Retained Earnings	(0.02)	(1.48)
Total	(0.02)	(1.48)

Retained Earnings

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balance at the beginning of period	(1.48)	(1.03)
Profit / (Loss) for the Year	1.46	(0.45)
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax	0	-
Balance at the end of the period	(0.02)	(1.48)

Notes:- Retained Earnings represents undistributed accumulated earnings of the Company as on the reporting date. The reserve can be utilised in accordance with the

12 Borrowings

Particulars	As at 31st March, 2025	As at 31st March, 2024
Secured - at amortised cost Loan from Bank	1,014.84	-
Unsecured - at amortised cost Loan from Related Parties	56.12	22.89
Total	1,070.97	22.89

During the year SMPP Ammunition Private Limited has availed bridge financing facility ("Bridge Loan") of ₹ 1,000.00 million from State Bank of India on October 10, 2024, for the procurement of plant and machinery at the Manufacturing Plant in Solan which is secured by TDR (Term deposit receipt) of Rs 1050 million which is in the name of Parent entity SMPP Limited. The rate of Interest is interest rate given on Term Deposit given by SBI Bank plus 0.5% available at the time of availing facility and it shall be payable on monthly basis and period of loan not exceeding 12 months. The Company has capitalised interest amounting to Rs. 34.42 million from State bank of India.



13 Trade Payable

Particulars	As at 31st March, 2025	As at 31st March, 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.02
Total	-	0.02

Dues of Micro, Small and Medium Enterprises have been determined to the extent such enterprises have been identified on the basis of information collected by the Management.

Trade Payables ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
As at 31st March 2025						
(i) MSME*	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

Trade Payables ageing schedule

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
As at 31st March 2024						
(i) MSME*	-	-	-	-	-	-
(ii) Others	-	0.02	-	-	-	0.02
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	-	0.02	-	-	-	0.02

*MSME as per the Micro, Small and Medium Enterprises Development Act 2006

13.1 Disclosure Under the Micro, Small and Medium enterprise Development Act, 2006 are provided as under for the year 2023-24, to the extent the company has received intimation from the "Suppliers" regarding their status under the Act.

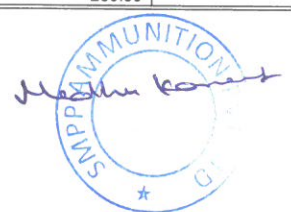
Particulars	As at 31st March, 2025	As at 31st March, 2024
(a) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting period (but within due date as per the MSMED Act.)		
(i) Principal amount due to Micro, Small and Medium enterprise.	-	-
(ii) interest due on above	-	-
(b) Amount of payments made to suppliers beyond the appointed day during the period		
(i) Principal amount paid to Micro, Small and Medium enterprise.	-	-
(ii) interest actually paid under section 16 of MSMED Act.	-	-
(c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of accounting period	-	-
(e) 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 enterprises.	-	-

14 Other Financial Liabilities

Particulars	As at 31st March, 2025	As at 31st March, 2024
Expense Payable	0.92	0.12
Total	0.92	0.12

15 Other Current Liabilities

Particulars	As at 31st March, 2025	As at 31st March, 2024
Advance from Customers	239.42	-
Statutory Dues	0.44	0.02
Total	239.86	0.02



16 Revenue From Operations

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Sale of Products and Services	-	-
Total	-	-

17 Other Income

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Interest Income	1.73	-
Misc Income	0.01	-
Total	1.74	-

18 Employee Benefits Expense

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Salaries & Wages	-	-
Total	-	-

19 Finance Cost

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Interest Expense	-	-
Total	-	-

20 Depreciation and Amortization expense

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Depreciation on Property, Plant and Equipment	-	0.08
Depreciation on Right of use Assets	0.03	0.03
Total	0.03	0.11

21 Other Expenses

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Legal and Professional Charges	0.03	0.01
Audit Remuneration (Refer Note 21.1)	0.12	0.12
Fee & Subscription Charges	0.06	0.18
Miscellaneous Expenses	-	0.00
Total	0.21	0.32

21.1 Payment to Auditors

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Statutory Audit fee	0.12	0.12
Total	0.12	0.12

22 Tax Expenses

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
(a) Income tax expense recognised in Statement of profit and loss		
Current tax:		
In respect of current year	-	-
In respect of earlier year	-	-
Deferred tax:		
In respect of current year	0.04	0.02
Total income tax expense recognised in statement of profit and loss	0.04	0.02

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit / (Loss) before tax	1.50	(0.43)
Statutory income tax rate	25.17%	25.17%
Income tax expense calculated at statutory income tax rate	0.38	-
Adjustments:		
Tax impact of non-deductible/(deductible) expense	-	-
Tax due to timing differences	0.04	0.02
Adjustment recognised in the current year in relation to the current tax of prior years	-	-
Income tax expense recognised in statement of profit and loss	0.04	0.02

23 Other comprehensive income

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Items that will not be reclassified to profit and loss	-	-
Income tax relating to items that will not be reclassified to profit or loss	-	-
Total	-	-



SMPP AMMUNITION PRIVATE LIMITED
Notes Forming Part of the Financials Statements for the year ended 31st March, 2025

(All amounts are Rs. in Millions, unless otherwise stated)

24 Earnings per share

Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Profit / (Loss) attributable to equity shareholders	1.46	(0.45)
Nominal value of equity share (₹)	100.00	100.00
Total number of equity shares outstanding at the beginning of the period	0.02	0.02
Total number of equity shares outstanding at the end of the period	0.02	0.02
Weighted average number of equity shares	0.02	0.02
Basic earnings per share (₹)	72.90	(22.57)
Total number of equity shares outstanding at the beginning of the period	0.02	0.02
Total number of equity shares outstanding at the end of the period	0.02	0.02
Weighted average number of equity shares	0.02	0.02
Diluted earnings per share (₹)	72.90	(22.57)

25 Contingent Liabilities & Commitments

Particulars	As at 31st March, 2025	As at 31st March, 2024
Contingent liabilities	-	-
Capital Commitments	1,785.00	17.40

26 Related party disclosure under IND AS 24
a) Names of related parties and description of relationship:

S.no.	Nature of relationship	Names of parties
1	Key Managerial Persons	Dr. Shiv Chand Kansal Dr. Madhu Kansal
2	Holding Company	SMPP Limited (Formerly known as SMPP Private Limited)
3	Relatives of Key Management Personnel:	Ashish Kansal Ashima Goel Pankaj Goel Surender Kansal Prem Kansal Kiran Singhia Naresh Kansal Achla Kansal Manoj Agarwal Aarti Choudhary Rekha Mittal
4	Entity over which KMP's have significant influence	Sopan Properties Private Limited SM Engineering & Consultants Shiv Chand Ashish Kansal HUF Wiseman Systems Private Limited Kansal Auto Spares Private Limited
5	The entity is controlled or jointly controlled by a person or a close member of that person's family of a reporting entity who has significant influence over the reporting entity.	Macario Technologies Private Limited Innovative Techtext Private Limited Ashish Kansal HUF

b) The following transactions were carried out with related parties in the ordinary course of business:

Nature of Relationship	Name of Related Party	Nature of Transaction	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Holding Company	SMPP Limited (Formerly known as SMPP Private Limited)	Loan Taken during the year	56.46	13.01
		Interest Expense	2.96	1.37
		Loan Repaid	0.42	23.22
Key Managerial Personnel	Dr. Shiv Chand Kansal	Loan Taken during the year	5.00	21.50
		Payment of Loan	26.50	-
		Interest expense on loan	0.58	0.02
	Dr. Madhu Kansal	Loan Taken	9.00	-
		Payment of loan	9.00	-
		Interest expense on loan	0.14	-

c) Balances Outstanding at year end:

Nature of Relationship	Name of Related Party	Nature of Transaction	As at 31st March, 2025	As at 31st March, 2024
Holding Company	SMPP Limited (Formerly known as SMPP Private Limited)	Interest Payable	-	1.37
		Loan Outstanding	56.12	-
Key Managerial Personnel	Dr. Shiv Chand Kansal	Interest Payable on Loan	-	0.02
	Dr. Shiv Chand Kansal	Loan from Director	-	21.50



Note No 28.2: Financials Instruments
Financial Instruments- Accounting Classification and Fair Value Measurement

Fair value of instruments measured at amortised cost

The management assessed that fair values of cash and cash equivalents, other financial assets, borrowings, trade payables and other financial liabilities approximate their respective carrying amounts largely due to short term maturities of these instruments.

Financial risk management
Categories of financial instruments

Particulars	31st March 2025	31st March 2024
Financial assets		
Financial assets at amortised Cost		
Non-current		
Other Financial Assets	0.34	0.33
Current		
Cash and cash Equivalents	385.83	1.84
Total	386.17	2.17
Financial liabilities at amortised cost		
Current		
Borrowings	1,070.97	22.89
Trade payables	-	0.02
Other financial liabilities	0.92	0.12
Total	1.83	0.26

Note No 40.1: Fair value Hierarchy

i) Fair value measurements:

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Financial assets measured at Fair Value

Particulars	31 March 2025	Level 1	Level 2	Level 3
Financial Assets Measured at Amortised Cost				
Security Deposit	0.34	-	-	-
Cash and Cash equivalents	385.83	-	-	-
Total financial assets	386.17	-	-	-

Particulars	31 March 2024	Level 1	Level 2	Level 3
Financial Assets Measured at Amortised Cost				
Security Deposit	0.33	-	-	-
Cash and Cash equivalents	1.84	-	-	-
Total financial assets	2.17	-	-	-

Financial Liabilities measured at Fair Value

Particulars	31 March 2025	Level 1	Level 2	Level 3
Financial Liabilities Measured at Amortised Cost				
Borrowings	1,070.97	-	-	-
Other financial Liabilities	0.92	-	-	-
Total financial liabilities	1,071.88	-	-	-

Particulars	31 March 2024	Level 1	Level 2	Level 3
Financial Liabilities Measured at Amortised Cost				
Borrowings	22.89	-	-	-
Trade Payables	0.02	-	-	-
Other financial Liabilities	0.12	-	-	-
Total financial liabilities	23.04	-	-	-



Note No 40.2: Valuation techniques used to determine Fair Value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are recognised at the amount 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 following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade payables, and other current financial assets and liabilities measured at amortised cost is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of other non-current financial assets and liabilities (security deposit given) carried at amortized cost is approximately equal to fair value. Hence carrying value and fair value is taken same.
- 2) Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the company is considered to be insignificant in valuation.

Note No 40.3: Financial risk management

The Company's activities expose it to a variety of financial risks which includes market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company's focus is to ensure liquidity which is sufficient to meet the Company's operational requirements. The Company monitors and manages key financial risks so as to minimise potential adverse effects on its financial performance. The Company has a risk management policy which covers the risks associated with the financial assets and liabilities. The details for managing each of these risks are summarised ahead.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, which comprises of three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

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

Foreign currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in foreign exchange rate.

The Company derives significant portion of its revenue in foreign currency, exposing it to fluctuations in currency movements. The Company has laid down a foreign exchange risk policy as per which senior management team reviews and manages the foreign exchange risks in a systematic manner, including regular monitoring of exposures, proper advice from market experts, hedging of exposures, etc.

The Company uses derivative financial instruments, such as foreign exchange forward contracts, to mitigate foreign exchange related risk exposures. Derivative financial instruments relating to a firm commitment or a highly probable forecast transaction, are marked to market at every reporting date. The company does not use forward contracts for speculative purposes.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Particulars	Foreign currency	INR
	31st March, 2025	31st March, 2025
Financial assets		
Advance given to Supplier		
In USD	9.75	820.17
Advance received from Customer		
In USD	2.78	239.42

Particulars	Foreign currency	INR
	31st March, 2024	31st March, 2024
Financial assets		
Advance given to Supplier		
In USD	-	-
Advance received from Customer		
In USD	-	-



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(All amounts are Rs. in Millions, unless otherwise stated)

Sensitivity Analysis

The Following table demonstrate the sensitivity in the foreign exchange rate (USD & EURO) to the Indian Rupees with all other variable held constant. The Impact on statement of profit & loss is given below:

Particulars	Exchange rate increase by 1%	Exchange rate decrease by 1%
	31st March, 2025	31st March, 2025
	INR	INR
Financial assets		
Advance given to Supplier		
In USD	8.20	(8.20)
Financial liabilities		
Advance received from Customer		
In USD	2.39	(2.39)

Particulars	Exchange rate increase by 1%	Exchange rate decrease by 1%
	31st March, 2024	31st March, 2024
	INR	INR
Financial assets		
Advance given to Supplier		
In USD	-	-
Financial liabilities		
Advance received from Customer		
In USD	-	-

Credit Risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- Actual or expected significant adverse changes in business;
- Actual or expected significant changes in the operating results of the counterparty;
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation;
- Significant increase in credit risk and other financial instruments of the same counterparty;
- Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium, and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table detail the company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company may be required to pay.

Particulars	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 years	Carrying Amount
31st March 2025						
Other financial liabilities	-	0.92				0.92
Total	-	0.92	-	-	-	0.92

Particulars	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 years	Carrying Amount
31st March 2024						
Trade payable	-	0.02				0.02
Other financial liabilities	-	0.12				0.12
Total	-	0.14	-	-	-	0.15



SMPP AMMUNITION PRIVATE LIMITED
Notes Forming Part of the Financials Statements for the year ended 31st March, 2025
 (All amounts are Rs. in Millions, unless otherwise stated)

27 Segment information

The Company is setting-up the plant for manufacturing of all kinds of arms and ammunition. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of Ind AS 108 "Operating Segments".

28 Financial Ratios

Sr. No.	Ratios	Unit	Numerator	Denominator	Year ended 31 March 2025	Year ended 31 March 2024	Variance (%)	Remarks
1	Current ratio	Times	Current assets	Current liabilities	0.93	0.38	145%	Majorly due to increase in Fixed Deposits and Advance given for capital goods.
2	Debt-equity ratio	Times	Debt consist of borrowings	Shareholder's equity	540.74	43.82	1134%	Majorly due to increase in Borrowings.
3	Return on equity ratio	%	Profit after tax	Average shareholder equity	1.17	0.00	100%	Majorly due to increase in Profit.
4	Return on capital employed	%	Earnings before tax and finance cost	Capital employed = Net worth + Total debt + Deferred tax liabilities	0.00	0.00	0%	Not Required

28.1 Reconciliation between the opening & closing balances in the balance sheet for Financial liabilities

Particulars	As at 01st April 2024	Cash flows	Non Cash	As at 31st March 2025
Short term borrowings	22.89	1,034.54	13.53	1,070.97

Particulars	As at 01st April 2023	Cash flows	Non Cash	As at 31st March 2024
Short term borrowings	10.21	12.66	0.02	22.89



29 Additional information

- i) No any proceedings has been initiated or pending against the company as the company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- ii) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- iii) The company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year.
- iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- v) There are no funds which 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Parties; or
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- viii) The company has not traded or invested in any Crypto currency or Virtual currency during the financial year.
- ix) The company has utilized tally, an accounting software for maintaining its books of account. Tally includes an audit trail (edit log) feature that has been consistently used w.e.f 12th April 2023 for all relevant transactions recorded in the software. Due to tally's integrated application and database, establishing audit trail functionality specifically for the tally database is not feasible. The retention of the Audit Trail is available for application level w.e.f 12th April 2023.
- x) The company has not declared or paid any dividend during the year.
- xi) The figures representing 0.00 have value, however due to INR converted into INR millions, it has been shown as 0.00.

30 Recent Accounting Pronouncements**(i) Ind AS 117 - Insurance Contracts**

The Ministry of Corporate Affairs (MCA), The MCA notified Ind AS 117 on 9 September 2024 to be applicable from 1 April 2024. However, the same was withdrawn vide notification dated 28 September 2024 wherein the applicability of Ind AS 117 was made subject to notification of IRDAI. IRDAI has not notified Ind AS 117. Therefore, as of now, Ind AS 117 has been issued but from when it will be applicable is uncertain. The company is evaluating the impact of the standard on its consolidated balance sheet, consolidated statement of profit and loss and consolidated statement of cash flows.

(ii) Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

Ministry of Corporate Affairs vide its notification no. G.S.R. 291(E) dated 7th May 2025 has issued an amendment to Ind AS 21 providing guidance on determining exchange rate in case of lack of exchangeability. The amendment is effective from 1 April 2025. In accordance with the amendment to Ind AS 21 – Lack of Exchangeability, the Company is required to estimate the exchange rate using the most reliable inputs available in case there is lack of exchangeability. The currencies in which the company has transacted during the current year or previous year were exchangeable into another currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism. Accordingly, the amendment to Ind AS 21 has no material impact on the financial position, financial performance and cash flows of the company.



SMPP AMMUNITION PRIVATE LIMITED

Notes Forming Part of the Financials Statements for the year ended 31st March, 2025
(All amounts are Rs. in Millions, unless otherwise stated)

31 Approval of financial statements

The financial statement for the year ended 31st March, 2025 were approved by the Board of Directors and authorises to issue on 31st July, 2025.

As per our report of even date attached

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm Registration No. : 000756N/N500441


Vivek Raut
Partner

Membership No. : 097489

Place: New Delhi
Date: 31st July, 2025



For Jagdish Sapra & Co LLP
Chartered Accountants
Firm Registration No. 001378N/N500037

Vipal Kumar Kalra
Partner
Membership No. 084583

Place: New Delhi
Date: 31st July, 2025



For and on behalf of the Board of Directors of
SMPP Ammunition Private Limited


Dr. Shiv Chand Kansal
Managing Director
DIN: 00048385


Dr. Madhu Kansal
Director
DIN: 00736029

