

# **PCL (International) Holding B.V.**

**Special Purpose Consolidated Financial Statements**

**2024-25**

**INDEPENDENT AUDITOR'S REPORT****To the Board of Directors of PCL (International) Holding B.V.**

We have audited the accompanying consolidated Ind AS special purpose financial information of PCL (International) Holding B.V. (hereinafter referred to as 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') comprising of the special purpose consolidated Balance Sheet as at 31 March 2025, the consolidated Special Purpose Statement of Profit and Loss including other comprehensive income, the consolidated Special Purpose Cash Flow Statement, the consolidated Special Purpose Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial information').

The special purpose consolidated Ind AS financial information have been prepared by the management in accordance with the basis of preparation as set out in note 2.1 to the Special Purpose Consolidated Ind AS Financial Information.

**Management's Responsibility for the Financial Information**

The Board of Directors of the Company is responsible for the preparation of the special purpose consolidated Ind AS financial information in accordance with the basis of preparation as set out in note 2.1 to the Special Purpose consolidated Ind AS Financial Information. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Special Purpose Consolidated Ind AS financial Information that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these special purpose consolidated Ind AS financial information based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose consolidated Ind AS financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the special purpose consolidated Ind AS financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the special purpose consolidated Ind AS financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Opinion**

In our opinion, the financial information of PCL (International) Holding B.V. for the year ended 31 March 2025 are prepared, in all material respects, in accordance with the basis of preparation as set out in note 2.1 to the Special Purpose Consolidated Ind AS Financial Information.

**Basis of Accounting and Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to Note 2.1 to the Special Purpose Consolidated Ind AS Financial Information, which describes the basis of accounting. These Special Purpose Consolidated Ind AS Financial Information have been prepared by the management of the Company for the purpose of providing information to Precision Camshafts Limited ("PCL") to prepare consolidated financial statements for the year ended 31 March 2025 and may not be suitable for another purpose. Our report is intended solely for the Company and should not be distributed to or used by parties other than Company.

For **G S K A & Co.**

Chartered Accountants

ICAI Firm Registration Number: 147093W

UDIN - 25136512BMIRIQ3951



**per Ganesh Gaikwad**

Partner

Membership Number: 136512

Place of Signature: Pune

Date: May 27, 2025

**PCL (International) Holding B.V.**  
**Special purpose consolidated balance sheet as at March 31, 2025**  
*(All amounts in rupees lakhs unless otherwise stated)*

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipments	3	3,303.59	4,137.32
Capital work-in-progress	3	122.10	96.92
Intangible assets	3a	78.96	144.89
Goodwill on acquisition	3a	-	299.39
Financial assets			
i. Other financial assets	4	50.10	47.19
Deferred tax asset	14	577.52	488.83
Other non-current assets	5	75.30	-
		<b>4,207.58</b>	<b>5,214.54</b>
<b>Current assets</b>			
Inventories	6	4,602.36	5,756.80
Financial assets			
i. Trade receivables	7	741.39	3,109.57
ii. Cash and cash equivalents	8	1,884.51	3,232.29
iii. Bank balances other than (ii) above	8	-	196
iv. Others financial assets	4	1.96	72.01
Other current assets	5	496.26	379.77
		<b>7,726.48</b>	<b>12,745.97</b>
<b>Total assets</b>		<b>11,934.06</b>	<b>17,960.51</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	9	11,785.49	11,785.49
Other equity			
i. Retained earnings	10	(18,820.19)	(16,083.87)
ii. Capital reserve	10	1,412.02	1,412.02
iii. Foreign currency translation reserve	10	391.06	470.59
		<b>-5,231.62</b>	<b>-2,415.77</b>
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	11A	8,187.16	10,183.36
ii. Lease liabilities	13	668.18	380.31
Provisions	15	285.57	145.30
Deferred tax liabilities	14	167.87	178.28
Other liabilities	16	294.35	409.19
		<b>9,603.13</b>	<b>11,296.44</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	11B	1,833.90	3,270.84
ii. Trade payables	15	2,433.39	3,025.65
iii. Other financial liabilities	12	397.67	448.87
iv. Lease liabilities	13	1,382.65	358.36
Other current liabilities	16	1,362.85	1,673.69
Provisions	15	148.88	202.10
Current tax liabilities (net)	17	3.20	100.32
		<b>7,562.55</b>	<b>9,079.84</b>
<b>Total liabilities</b>		<b>17,165.68</b>	<b>20,376.28</b>
<b>Total equity and liabilities</b>		<b>11,934.05</b>	<b>17,960.51</b>

Summary of material accounting policies 2

The accompanying notes are an integral part of the consolidated financial statements.

**As per our report of even date**

For G S K A & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 147093W



per Ganesh Gaikwad  
Partner  
Membership Number: 136512  
Place: Pune  
Date: May 27, 2025



For and on behalf of the Board of Directors of  
PCL (International) Holding B.V.



Yatin S Shah  
Director  
DIN : 00318140  
Place: Pune  
Date: May 27, 2025

Karan Shah  
Director  
DIN : 07985441  
Place: Pune  
Date: May 27, 2025



**PCL (International) Holding B.V.**

**Special purpose consolidated statement of profit and loss for the year ended March 31, 2025**

*(All amounts in rupees lakhs unless otherwise stated)*

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
<b>Income</b>			
Revenue from operations	18	20,629.73	30,719.92
Other income	19	265.50	223.35
<b>Total revenue (I)</b>		<b>20,895.23</b>	<b>30,943.27</b>
<b>Expenses</b>			
Cost of raw materials and components consumed	20	7,170.83	13,981.99
(Increase)/decrease in inventories of finished goods and work-in-progress	21	2,010.79	3,509.27
Employee benefits expenses	22	7,517.34	8,690.38
Other expenses	23	4,823.88	6,288.81
<b>Total expenses (II)</b>		<b>21,522.83</b>	<b>32,470.45</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)</b>		<b>(627.60)</b>	<b>(1,527.18)</b>
Finance costs	24	447.31	493.82
Finance income	25	-	(2.86)
Depreciation and amortisation expense	26	1,448.25	3,748.23
<b>Loss before exceptional items and tax</b>		<b>(2,523.16)</b>	<b>(5,766.38)</b>
<b>Exceptional items</b>	27	(305.11)	1,829.19
<b>Profit/(loss) before tax</b>		<b>(2,828.27)</b>	<b>(3,937.19)</b>
Current Tax	28	-	101.23
Deferred tax	28	(91.95)	(282.07)
<b>Total tax expenses</b>		<b>(91.95)</b>	<b>(180.84)</b>
<b>Profit/(Loss) for the year [ i ]</b>		<b>(2,736.32)</b>	<b>(3,756.35)</b>
<b>Other comprehensive income</b>			
<b>A. Other comprehensive income to be reclassified to profit or</b>			
Exchange differences on translation of foreign operations	10	(79.53)	63.15
<b>Total other comprehensive income for the year, net of tax [ ii ]</b>		<b>(79.53)</b>	<b>63.15</b>
<b>Total comprehensive income for the year, net of tax [ i+ii ]</b>		<b>(2,815.85)</b>	<b>(3,693.20)</b>
<b>Profit/(loss) for the year</b>		<b>(2,736.32)</b>	<b>(3,756.35)</b>
<b>Attributable to:</b>			
Equity holders of the Holding Company		(2,736.32)	(3,756.35)
Non Controlling interests		-	-
		<b>(2,736.32)</b>	<b>(3,756.35)</b>
<b>Total other comprehensive income</b>			
<b>Attributable to:</b>			
Equity holders of the Holding Company		(79.53)	63.15
Non controlling interests		-	-
		<b>(79.53)</b>	<b>63.15</b>
<b>Total comprehensive loss for the year</b>		<b>(2,815.85)</b>	<b>(3,693.20)</b>
<b>Attributable to:</b>			
Equity holders of the Holding Company		(2,815.85)	(3,693.20)
Non controlling interests		-	-
		<b>(2,815.85)</b>	<b>(3,693.20)</b>

Summary of material accounting policies

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date



For G S K A & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 147093W



per Ganesh Gaikwad  
Partner  
Membership Number: 136512  
Place: Pune  
Date: May 27, 2025



For and on behalf of the Board of Directors of  
PCL (International) Holding B.V.

Yatin S Shah  
Director  
DIN : 00318140  
Place: Pune  
Date: May 27, 2025

Karan Shah  
Director  
DIN : 07985441  
Place: Pune  
Date: May 27, 2025

**PCL (International) Holding B.V.**

**Special purpose consolidated statement of cash flows for the year ended March 31, 2025**

(All amounts in rupees lakhs unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
<b>Cash flows from operating activities</b>		
Loss before tax	(2,828.27)	(3,937.19)
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation and impairment of property, plant and equipment	1,375.85	1,893.91
Amortisation and impairment of intangible assets	72.40	1,854.32
Impairment of Goodwill	305.11	-
Impairment of PPE	-	1,545.01
Loss / (Profit) on sale of discarded asset	75.86	(17.92)
Advance from customer written back	-	(7,024.24)
Interest Income	-	(2.86)
Finance costs	447.31	493.82
Inventory Written off	-	3,650.04
Provision for doubtful debts	375.77	-
	<b>(175.97)</b>	<b>(1,545.10)</b>
<b>Working capital adjustments:</b>		
(Increase) / decrease in other current assets	(116.49)	(192.87)
(Increase) / decrease in other financial assets	262.66	254.01
(Increase) / decrease in trade receivables and prepayments	1,992.41	2,255.91
(Increase) / decrease in inventories	1,154.44	5,333.30
(Increase) / decrease in other non current assets	(82.45)	-
Increase / (decrease) in other provisions	87.05	-
Increase / (decrease) in other current liabilities	(425.59)	(2,576.58)
Increase / (decrease) in other financial liabilities	(26.63)	173.78
Increase / (decrease) in trade payables	(592.26)	(117.20)
	<b>2,077.17</b>	<b>3,585.25</b>
Income taxes paid (net of refunds)	(97.11)	(41.92)
<b>Net cash flows generated from operating activities</b>	<b>1,980.06</b>	<b>3,543.33</b>
<b>Cash flows from investing activities</b>		
(Purchase)/Sale proceeds of property, plant and equipment, capital work-in-progress, intangible assets	1,186.04	247.54
Interest Received	-	2.86
<b>Net cash flows used in investing activities</b>	<b>1,186.04</b>	<b>250.39</b>
<b>Cash flow from financing activities</b>		
Interest paid	(386.73)	(560.40)
Repayment of borrowings	(3,433.15)	(708.23)
Payment of lease obligations	(614.47)	(648.89)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(4,434.34)</b>	<b>(1,917.53)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(1,268.25)</b>	<b>1,876.19</b>
Net foreign exchange difference	(79.54)	63.16
Cash and cash equivalents at the beginning of the year	3,232.29	1,292.93
<b>Cash and cash equivalents as at year end</b>	<b>1,884.51</b>	<b>3,232.29</b>

Particulars	March 31, 2025 In Rs.	March 31, 2024 In Rs.
<b>Components of cash and cash equivalents:</b>		
Balances with banks:		
On current accounts	1,883.33	3,231.35
Cash in hand	1.18	0.94
<b>Cash and cash equivalents at year end</b>	<b>1,884.51</b>	<b>3,232.29</b>

Summary of material accounting policies

The accompanying notes are an integral part of the Consolidated financial statements.

As per our report of even date

For G S K A & Co.  
Chartered Accountants  
ICAI Firm Registration Number:147093W



per Ganesh Gaikwad  
Partner  
Membership Number: 136512  
Place: Pune  
Date: May 27, 2025



For and on behalf of the Board of Directors of  
PCL (International) Holding B.V.

  
Yatin S Shah  
Director  
DIN. 00318140  
Place: Pune  
Date: May 27, 2025

  
Karan Shah  
Director  
DIN : 07985441  
Place: Pune  
Date: May 27, 2025

**PCL (International) Holding B.V.**  
**Special purpose consolidated statement of changes in equity for the year ended March 31, 2025**  
*(All amounts in rupees lakhs unless otherwise stated)*

**A. Equity share capital**

Equity shares of EURO 1 each issued, subscribed and fully paid

At 01 April 2023  
Issued during the year  
At 31 March 2024  
Issued during the year  
At 31 March 2025

Amount in Rupees Lakhs
11,785.49
-
11,785.49
-
11,785.49


**B. Other equity**

Particulars	Attributable to equity holders of the parent				Total equity
	Reserves and Surplus	Items of OCI		Total	
	Retained Earnings	Foreign currency	Capital Reserve		
	Note 10	Note 10	Note 10		
As at April 01, 2023	(12,327.51)	407.43	1,412.02	(10,508.07)	(10,508.07)
Loss for the year	(3,756.35)		-	(3,756.35)	(3,756.35)
Other comprehensive income for the year, net of tax		63.15	-	63.15	63.15
Total comprehensive income for the year	(3,756.35)	63.15	-	(3,693.20)	(3,693.20)
As at March 31, 2024	(16,083.87)	470.58	1,412.02	(14,201.27)	(14,201.27)
Loss for the year	(2,736.32)		-	(2,736.32)	(2,736.32)
Other comprehensive income for the year, net of tax		(79.53)	-	(79.53)	(79.53)
Total comprehensive income for the year	(2,736.32)	(79.53)	-	(2,815.85)	(2,815.85)
As at March 31, 2025	(18,820.19)	391.06	1,412.02	(17,017.12)	(17,017.12)

Summary of material accounting policies


The accompanying notes are an integral part of the Consolidated financial statements.

**For G S K A & Co.**  
Chartered Accountants  
ICAI Firm Registration Number:147093W

  
**per Ganesh Gaikwad**  
Partner  
Membership Number: 136512  
Place: Pune  
Date: May 27, 2025



**For and on behalf of the Board of Directors of  
PCL (International) Holding B.V.**

  
**Yatin S Shah**  
Director  
DIN. 00318140  
Place: Pune  
Date: May 27, 2025

  
**Karan Shah**  
Director  
DIN : 07985441  
Place: Pune  
Date: May 27, 2025



**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

*(All amounts in rupees lakhs unless otherwise stated)*

**Note 1. Corporate Information**

The consolidated financial statements comprise of financial statements of PCL (International) Holding B.V. ("the Company" or 'the Holding Company or "the parent company") and its subsidiaries (collectively, 'the Group') for the year ended 31 March 2025. PCL (International) Holding B.V. is domiciled in Netherlands and incorporated under the provisions of the dutch laws. The Company has its office registered at Prinses Margrietplantsoen 33, 2595 AM's-Gravenhage The Netherlands.

The Special Purpose Consolidated financial statements were authorised for issue in accordance with the resolution of the Board of Directors of the Company on May 27, 2025.

**Note 2. Significant accounting policies**

**2.1 Basis of preparation**

The Special Purpose Ind AS financial information of the Company have been prepared by the management of the Company for the purpose of providing information to Precision Camshafts Limited ("PCL") to prepare its consolidated financial statements for the year ended March 31, 2025 and may not be suitable for another purpose

The Special Purpose Ind AS Financial Information comprise the Special Purpose Balance sheet as at 31 March 2025, Special Purpose Statement of Profit and Loss for the year ended 31 March 2025, Special Purpose Cash Flow Statement for the period then ended and a summary of Significant Accounting Policies and Other Explanatory Information of the Company.

The Special Purpose financial Information of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India and to comply in all material respects with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended to the extent applicable to these special purpose Consolidated Financial information.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- > Derivative financial instruments,
- > Certain financial assets and liabilities measured at fair value (refer accounting policy Note 'I' of summary of significant accounting policies regarding financial instruments),

The consolidated financial statements are presented in INR lakhs except when otherwise indicated.

**Disclosure of EBITDA**

Ind AS compliant Schedule III allows line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance or to cater to industry/sector-specific disclosure requirements. For example, a company may present EBITDA as a separate line item on the face of the statement of profit and loss.

**Measurement of EBITDA**

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance income, finance costs, share of profit/ loss from joint ventures and tax expense.

**2.2 Basis of Consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- > Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- > Exposure, or rights, to variable returns from its involvement with the investee, and .
- > The ability to use its power over the investee to affect its returns

The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.





**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary.

(b) Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). However intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests if any, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

**2.3 Summary of material accounting policies**

**a) Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- > Expected to be realised or intended to be sold or consumed in normal operating cycle
- > Held Primarily for the Purpose of Trading
- > Expected to be realised within twelve months after the reporting period, or
- > Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- > It is expected to be settled in normal operating cycle
- > It is held Primarily for the purpose of trading
- > It is due to be settled within twelve months after the reporting period, or
- > There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

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

**b) Foreign currencies**

The Group's consolidated financial statements are presented in INR which is the Group's presentation currency and the functional currency.

**(i) Initial recognition**

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

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

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

**c) Fair value measurement**

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

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





**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (refer note 32)

Quantitative disclosures of fair value measurement hierarchy (refer note 30, 31)

Financial instruments (including those carried at amortised cost)

**d) Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

**Sale of products**

The Company is a leading manufacturer and supplier of automobile camshafts - for passenger vehicles, tractors, LCVs, locomotive engines, railways. majority of the camshafts are sold to OEMs. Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Camshafts are developed according to the requirements of customer. There are three types of contracts entered into by the customers with company. • **Tooling contract:** for development of pattern used in manufacturing of camshafts. • **Purchase contract:** for purchase of camshafts. • **Job work contract:** for machining of camshafts.

Further the company is manufacturer and supplier of kit sets which are used for electric conversion of vehicles. Revenue is recognised when goods are shipped to the customer.

For purchase contracts, the Group has identified a single performance obligation i.e. supply of camshafts and kit sets, which gets completed at point in time. The Group recognizes revenue relating to it on transfer of control based on delivery terms. For job work contracts, the Group has identified a single performance obligation i.e. completion of job work, which gets completed at point in time. The company recognizes revenue relating to it on transfer of control. For tooling contracts, the company has identified a single performance obligation i.e. The Company has enforceable right to payment for tools developed when the tool is approved by the customer and accordingly the revenue from tooling is recognized at a point in time post approval by the customer.

**Revenue from Engineering, procurement and construction contracts**

In case of revenue from fixed price EPC contracts for vehicle conversion contracts, the performance obligation is satisfied progressively over the construction period. The Group's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.





**e) Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- > When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- > In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- > When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- > In respect of deductible temporary differences associated with investments in subsidiaries and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**f) Property, plant and equipment**

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

The Group has measured land and buildings of subsidiary MFT Motoren Und Fahrzeugtechnik GmbH ( Germany) (MFT) classified as property, plant and equipment at fair values as required under Ind AS-103 "Business Combination". The Group engaged independent valuation specialists to assess fair value for land and buildings as at March 31, 2018 for MFT . Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property as at the date of revaluation.

The Group has measured IP Software, IP Technology Customer Relationships & Residual as Goodwill of subsidiary EMOSS Mobile Systems B.V. (EMOSS) classified as Intangibles at fair values as required under Ind AS-103 "Business Combination". The Group engaged independent valuation specialists to assess fair value for land and buildings as at October 10, 2017 .Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property as at the date of revaluation.

Depreciation on fixed assets is calculated on a straight-line basis based on the useful lives estimated by the management.





**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

Description of asset group	Useful lives as per management's estimate
Buildings	30 - 60 years
Plant & equipment	3 - 15 years
Office equipment	5 years
Furniture & fixture	5 to 10 years
Vehicles	5 - 8 years
Electrical Installation	10 years
Computers	3 - 5 years

The group believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when nonfuture economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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

**g) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised except customer-supplier relationship, technical know how and R & D which are measured at fair value in accordance with Ind AS 103 "Business Combination" and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets are amortised over its useful life on a straight line basis.

Description of asset group	Useful lives as per management's estimate
Computer Software	2 - 5 years
Development	5 years
Corporate Design & New Homepage	5 years
Customer/Supplier Relationship	10 years
Tech know how	7 years
R&D	3 years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

**h) Leases**

Effective April 01, 2019, the Group adopted IND AS 116 "Leases" under the modified retrospective approach without restatement of comparatives. The Group elected to apply the practical expedient to not reassess whether a contract is or contains a lease at the date of initial application.

As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IND AS 116, the Group recognizes right-of-use assets and lease liabilities for most leases.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less





**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the entities incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

**i) Inventories**

Inventories are valued at lower of their cost and net realisable value.

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

- > Raw materials are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories is not written down below cost of the finished product in which they will be incorporated are expected to be sold at or above cost. Cost of raw material is determined on a weighted average basis.
- > Finished goods and semi finished goods: Finished goods are valued at lower of cost and net realizable Value. cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on a weighted average basis.
- > Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**j) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the consolidated statement of profit and loss.





**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

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

**k) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**l) Financial instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

*Initial recognition and measurement*

All financial assets are recognised initially at fair value plus transaction costs attributable to the acquisition of the financial asset, except in the case of financial assets not recorded at fair value through profit or loss.

**Subsequent measurement**

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

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

*Debt instruments at amortised cost*

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

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

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other financial assets. For more information on receivables, refer note 4.

*Debt instrument at FVTPL*

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

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of profit and loss.

*Equity investments*

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

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

**Derecognition**

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





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

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

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

#### *Impairment of financial assets*

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, deposits, trade receivables, bank balance and other financial assets.
- ii) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- iii) Loan commitments which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

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

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

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

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

- > Financial assets measured at amortised cost is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

#### **Financial liabilities**

##### *Initial recognition and measurement*

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

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

The Group's financial liabilities include trade and other payables, loans, borrowings and derivative financial instruments.

##### *Subsequent measurement*

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





**Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (effective interest rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**m) Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the financial statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, are considered to be an integral part of the Group's cash management.

**n) Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

**o) Segment reporting**

Operating segments are reporting in a manner consistent with the internal reporting to the chief operating decision maker (CODM). The board of directors of the Group assess the financial performance and position of the group and makes strategic decisions. The Board of Directors, which are identified as a CODM, consists of chief executive officer, chief financial officer and all other executive directors.

The Group is engaged in manufacturing of auto components (camshafts & others) Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into a single operating segment; however based on the geographic distribution of activities, the CODM has identified India and outside India as two reportable geographical segments. Refer note 29 for segment information presented.

**q) Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the parent company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements, if any, in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjusts the figures used in the determination of basic EPS to consider :

- > The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- > The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

**r) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group.

A contingent liability can arise for obligations that are possible, but it is yet to be confirmed whether there is present obligation that could lead to an outflow of resources embodying economic benefits.

The Group does not recognise a contingent liability but only makes disclosures for the same in the financial statements when the company has:

- > a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; or
- > present obligation arising from past events, when no reliable estimate is possible; or
- > a possible obligation arising from past events where the probability of outflow of resources is not remote

Contingent liabilities are reviewed at each Balance Sheet date.





PCL (International) Holding B.V.

Notes to the special purpose consolidated financial statements for the year ended March 31, 2025

(All amounts in rupees lakhs unless otherwise stated)

**Note 3: Property, plant and equipment**

Particulars	Building	Freehold Land	Inventory / machinery	Office equipment	Cars	Development new concepts	Computer-hardware	Right of use Asset- Plant and machinery (sold and leased back)	Right of use Asset- Land and building and others	Total	Capital work in progress
<b>At Cost</b>											
<b>At 01 April 2023</b>	<b>3,573.72</b>	<b>281.89</b>	<b>25,844.72</b>	<b>3,089.22</b>	<b>119.13</b>	<b>39.81</b>	<b>327.27</b>	<b>-</b>	<b>1,955.91</b>	<b>35,231.65</b>	<b>106.49</b>
Additions/reclassification	2.30	-	393.05	44.24	-	-	9.88	-	270.00	719.47	393.05
Disposals	-	-	(645.08)	-	(71.60)	-	-	-	(596.28)	(1,312.96)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	(393.05)
Foreign currency translation reserve	67.83	23.92	128.86	10.08	0.99	(39.81)	(166.69)	-	9.30	34.50	(9.57)
<b>At 31 March 2024</b>	<b>3,643.84</b>	<b>305.81</b>	<b>25,721.55</b>	<b>3,143.54</b>	<b>48.53</b>	<b>0.00</b>	<b>170.46</b>	<b>-</b>	<b>1,638.92</b>	<b>34,672.66</b>	<b>96.92</b>
Additions	-	-	71.29	15.63	-	-	9.18	791.29	349.56	1,236.95	94.26
Disposals	-	-	(15,865.69)	(1,021.07)	(14.07)	-	(0.97)	-	(55.02)	(16,956.82)	-
Capitalised during the year	-	-	-	-	-	-	-	-	-	-	(71.29)
Foreign currency translation reserve	96.58	8.11	567.32	76.04	1.18	-	4.58	5.76	45.55	805.11	2.21
<b>At 31 March 2025</b>	<b>3,740.42</b>	<b>313.92</b>	<b>10,494.48</b>	<b>2,214.13</b>	<b>35.65</b>	<b>0.00</b>	<b>183.25</b>	<b>797.05</b>	<b>1,979.01</b>	<b>19,757.90</b>	<b>122.10</b>

**Depreciation and impairment**

<b>At 01 April 2023</b>	<b>2,283.80</b>	<b>-</b>	<b>21,391.31</b>	<b>2,744.02</b>	<b>45.44</b>	<b>39.81</b>	<b>217.57</b>	<b>-</b>	<b>909.86</b>	<b>27,631.81</b>
Charge for the year	114.02	-	1,084.40	204.19	9.66	-	38.28	-	443.35	1,893.91
Disposals	-	-	(136.23)	-	(19.09)	-	-	-	(380.72)	(536.04)
Impairment	-	-	1,547.13	-	-	-	-	-	-	1,547.13
Foreign currency translation reserve	19.63	-	121.96	7.56	0.23	(39.81)	(113.61)	-	2.56	(1.48)
<b>At 31 March 2024</b>	<b>2,417.45</b>	<b>-</b>	<b>24,008.57</b>	<b>2,955.77</b>	<b>36.24</b>	<b>(0.00)</b>	<b>142.24</b>	<b>-</b>	<b>975.20</b>	<b>30,535.33</b>
Charge for the year	115.27	-	740.38	65.69	5.73	-	24.02	118.69	306.06	1,375.85
Disposals	-	-	(15,176.21)	(966.18)	(7.27)	-	(0.97)	-	(8.19)	(16,158.83)
Foreign currency translation reserve	64.91	-	531.40	71.82	0.95	-	3.94	0.86	28.00	701.97
<b>At 31 March 2025</b>	<b>2,597.64</b>	<b>-</b>	<b>10,104.14</b>	<b>2,127.10</b>	<b>35.65</b>	<b>(0.00)</b>	<b>169.22</b>	<b>119.56</b>	<b>1,301.08</b>	<b>16,454.32</b>

**Net block**

<b>At 31 March 2025</b>	<b>1,142.79</b>	<b>313.92</b>	<b>390.34</b>	<b>87.03</b>	<b>(0.00)</b>	<b>0.00</b>	<b>14.02</b>	<b>677.49</b>	<b>677.93</b>	<b>3,303.59</b>
<b>At 31 March 2024</b>	<b>1,226.39</b>	<b>305.81</b>	<b>1,712.98</b>	<b>187.77</b>	<b>12.29</b>	<b>0.00</b>	<b>28.21</b>	<b>-</b>	<b>663.73</b>	<b>4,137.33</b>



**Note on ROU asset**

The Company has entered into a sale and leaseback arrangement with Nord Leasing Company, involving the sale of various assets, primarily machinery. Pursuant to this transaction, the underlying assets have been derecognized from the Company's books and A Right-of-Use (ROU) asset and a corresponding lease liability have been recognized in the financial statements, reflecting the present value of future lease payments over the lease term of five years.

**Asset under construction**

Capital work-in-progress (CWIP) comprises cost of assets that are not yet installed and ready for their intended use as at the balance sheet date. Capital work in progress as at 31 March 2025 and 31 March 2024 comprises expenditure for the plant and machinery in the course of construction.

**Capital-Work-in Progress (CWIP)****31 March 2025**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	72.15	49.95	-	-	122.10
Projects temporarily suspended	-	-	-	-	-

**31 March 2024**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	96.92	-	-	96.92
Projects temporarily suspended	-	-	-	-	-



**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

(All amounts in rupees lakhs unless otherwise stated)

**Note 3a: Intangible assets**

Particulars	Goodwill	Development	Customer relation	Computer-software	Technical Know how	IP Technology	Total	Goodwill on consolidation
<b>At 01 April 2023</b>	<b>70.99</b>	<b>38.10</b>	<b>1,967.77</b>	<b>494.20</b>	<b>3,795.71</b>	<b>3,725.15</b>	<b>10,091.91</b>	<b>2,343.25</b>
Additions	-	-	-	50.92	-	-	50.92	-
Disposals	-	-	-	-	-	-	-	-
Foreign currency translation reserve	0.24	(38.10)	105.08	148.37	274.31	269.19	759.09	194.55
<b>At 31 March 2024</b>	<b>71.23</b>	<b>-</b>	<b>2,072.85</b>	<b>693.49</b>	<b>4,070.02</b>	<b>3,994.33</b>	<b>10,901.93</b>	<b>2,537.79</b>
Additions	-	-	-	2.76	-	-	2.76	-
Disposals	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	18.40	107.88	-	126.28	67.26
<b>At 31 March 2025</b>	<b>71.23</b>	<b>-</b>	<b>2,072.85</b>	<b>714.65</b>	<b>4,177.89</b>	<b>3,994.33</b>	<b>11,030.96</b>	<b>2,605.06</b>
<b>Depreciation and impairment</b>								
<b>At 01 April 2023</b>	<b>70.99</b>	<b>38.10</b>	<b>1,967.77</b>	<b>338.25</b>	<b>2,901.14</b>	<b>2,850.50</b>	<b>8,166.75</b>	<b>2,044.87</b>
Charge for the year	-	-	-	115.18	874.91	864.01	1,854.32	-
Disposals	-	-	-	-	-	-	-	-
Foreign currency translation reserve	0.24	(38.10)	105.08	105.99	283.16	279.83	735.97	193.54
<b>At 31 March 2024</b>	<b>71.23</b>	<b>-</b>	<b>2,072.85</b>	<b>559.42</b>	<b>4,059.21</b>	<b>3,994.33</b>	<b>10,757.04</b>	<b>2,238.40</b>
Charge for the year	-	-	-	61.00	11.40	-	72.40	-
Disposals	-	-	-	-	-	-	-	-
Foreign currency translation reserve	-	-	-	15.27	107.29	-	122.56	61.54
Impairment of goodwill*	-	-	-	-	-	-	-	305.11
<b>At 31 March 2025</b>	<b>71.23</b>	<b>-</b>	<b>2,072.85</b>	<b>635.69</b>	<b>4,177.89</b>	<b>3,994.33</b>	<b>10,952.00</b>	<b>2,605.06</b>
<b>Net Block</b>								
<b>At 31 March 2025</b>	<b>-0.00</b>	<b>-</b>	<b>-</b>	<b>78.96</b>	<b>-</b>	<b>-0.00</b>	<b>78.96</b>	<b>-</b>
<b>At 31 March 2024</b>	<b>-0.00</b>	<b>-</b>	<b>-</b>	<b>134.08</b>	<b>10.81</b>	<b>-0.00</b>	<b>144.89</b>	<b>299.39</b>

**\* Impairment of Goodwill recognised on the acquisition of the E Moss Mobile System B.V.**

During the meeting of the Board of Directors, the Management informed and briefed the Board that the business of E Moss Mobile System B.V. (E Moss) was acquired to capitalise the opportunity within EV Sector through unique technology of converting the Diesel/ Petrol powered vehicles into the Electric Vehicles.

However the performance and profitability of the Company was deteriorating with the business significantly underperforming (vis-a-vis Business Plan FY 2024-25) during the FY 2024-25. Further the business synergies envisaged that the investment could not be realised despite best efforts of the management. The management also presented multiple scenarios with medium term to long term estimates for the acquired business but none of the scenarios demonstrated considerable improvement in profitability profile and any sight of realizing synergies for the core product business. Consequently, board of directors have decided to perform impairment analysis by an independent expert.

Basis such valuation report, total of the impairment loss is attributable solely to Goodwill.





**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

(All amounts in rupees lakhs unless otherwise stated)

**Impairment of Goodwill recognised on the acquisition of the E Moss Mobile System B.V.**

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Basis such valuation report, total of the impairment loss is attributable solely to Goodwill.





**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

*(All amounts in rupees lakhs unless otherwise stated)*

**NOTE 4: Other financial assets**

Particulars	As at March 31, 2025	As at March 31, 2024
Other receivables	52.07	119.20
	<b>52.07</b>	<b>119.20</b>
Non-current	50.10	47.19
Current	1.96	72.01
	<b>52.07</b>	<b>119.20</b>

**Note 5: Other assets**

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expense	207.55	289.05
Balances with statutory/government authorities	272.55	-
Other receivable	91.46	90.71
	<b>571.56</b>	<b>379.77</b>
Non-current	75.30	-
Current	496.26	379.77
	<b>571.56</b>	<b>379.77</b>

**Note 6: Inventories**

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials and components	1,830.98	815.97
Stores, spares and packing materials	1,150.87	1,309.54
Semi-finished goods	1,354.99	3,188.61
Finished goods	265.51	442.69
	<b>4,602.36</b>	<b>5,756.80</b>



**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

(All amounts in rupees lakhs unless otherwise stated)

**Note 7: Trade Receivables**

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables	741.39	3,109.57
<b>Total</b>	<b>741.39</b>	<b>3,109.57</b>
<b>Break-up for security details:</b>		
-Secured, considered good	-	-
- Unsecured, considered good	741.39	3,109.57
- Trade receivables which have significant increase in credit risk	396.80	-
-Trade receivables - credit impaired	308.95	275.35
<b>Total</b>	<b>1,447.14</b>	<b>3,384.92</b>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>		
- Doubtful	705.75	275.35
<b>Total trade receivables</b>	<b>741.39</b>	<b>3,109.57</b>

Trade receivables are non-interest bearing and are generally on terms of 30 to 150 days.

**Ageing of trade receivables as on March 31, 2025**

Particulars	Current but due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	481.97	259.41	-	-	-	-	741.38
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	62.50	33.53	581.57	24.61	3.54	705.76
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	(62.50)	(33.53)	(581.57)	(24.61)	(3.54)	(705.75)
<b>Total trade receivables</b>	<b>481.97</b>	<b>259.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>741.39</b>

**Ageing of trade receivables as on March 31, 2024**

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,590.92	1,391.83	126.82	-	-	-	3,109.57
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	155.34	116.47	3.55	-	275.35
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	(155.34)	(116.47)	(3.55)	-	(275.35)
<b>Total trade receivables</b>	<b>1,590.92</b>	<b>1,391.83</b>	<b>126.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,109.57</b>





**Note 8: Cash and bank balances**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Cash and cash equivalents</b>		
Balance with Banks		
Current accounts	1,883.33	3,231.35
Cash on hand	1.18	0.94
<b>Total cash and cash equivalents</b>	<b>1,884.51</b>	<b>3,232.29</b>
<b>Other bank balances</b>		
Deposits with remaining maturity for less than 12 months	-	195.52
<b>Total other bank balances</b>	<b>-</b>	<b>195.52</b>
<b>Total cash and bank balances</b>	<b>1,884.51</b>	<b>3,427.81</b>



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 9: Share Capital****a. Issued equity capital**

	31 March 2025 INR	31 March 2024 INR
<b>Authorised shares</b>		
17 Million (31 March 2024: 17 Million) equity shares of Euro 1 each	13,643.37	13,643.37
<b>Issued, subscribed and fully paid-up shares</b>		
14,019,845 (31 March 2024: 14,019,845) equity shares of EURO 1 each fully paid - up.	11,785.49	11,785.49

**b. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period****Equity shares of INR 10 each issued, subscribed and fully paid**

	No of Shares	Amount in Rupees (Lacs)
<b>At 01 April 2023</b>	1,40,19,845	11,785.49
Issued during the year	-	-
<b>At 31 March 2024</b>	1,40,19,845	11,785.49
Issued during the year	-	-
<b>At 31 March 2025</b>	1,40,19,845	11,785.49

**c. Shares held by holding company and their subsidiaries/associates:**

	31 March 2025		31 March 2024	
	No of shares	% holding	No of shares	% holding
<b>Equity shares of EURO 1 each fully paid</b>				
Precision Camshaft Limited (Holding Company)	1,40,19,845	100%	1,40,19,845	100%

**Details of shareholders holding more than 5% shares in the Company**

	31 March 2025		31 March 2024	
	No of shares	% holding	No of shares	% holding
<b>Equity shares of EURO 1 each fully paid</b>				
Precision Camshaft Limited (Holding Company)	1,40,19,845	100%	1,40,19,845	100%
	1,40,19,845	100%	1,40,19,845	100%

**d. Details of shares held by promoters at the end of the year**

Promoter name	31 March 2025			31 March 2024		
	No. of shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Precision Camshafts Limited	1,40,19,845	100.00%	0.00%	1,40,19,845	100.00%	224.17%
	1,40,19,845	100.00%	0.00%	1,40,19,845	100.00%	224.17%





**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 10: Other equity****A) Retained earnings**

	Amount in Rupees
At 01 April 2023	(12,327.51)
Add: Loss for the year	(3,756.35)
At 31 March 2024	(16,083.87)
Add: Loss for the year	(2,736.32)
At 31 March 2025	(18,820.19)

**B) Capital Reserve**

At 01 April 2023	1,412.02
Movement during the period	-
At 31 March 2024	1,412.02
Movement during the period	-
At 31 March 2025	1,412.02

**C) Foreign currency translation reserve**

At 01 April 2023	407.43
Movement during the period	63.15
At 31 March 2024	470.59
Movement during the period	(79.53)
At 31 March 2025	391.06

**Nature and purpose of reserves:****Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and any other adjustments.

**Capital reserve**

The Company had recognised excess of the identifiable assets and liabilities acquired over the consideration paid for acquisition of subsidiary referred to as bargain purchase on acquisition in capital reserve.

**Foreign currency translation reserve**

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and are accumulated in separate reserve within equity. The cumulative amount is reclassified to profit and loss, when the investment is disposed off.



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 11A: Long-term borrowings**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Term loan</b>		
Term loan II	230.61	642.62
From financial institutions	-0.00	8.90
Loan from related parties	7,956.55	9,531.83
<b>Total non-current borrowings</b>	<b>8,187.16</b>	<b>10,183.36</b>

**Note 11B: Short-term borrowings**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Current maturity of long term loans</b>		
Term loan II	530.22	768.41
<b>Loan repayable on Demand</b>		
Cash credit from banks (secured)	1,303.67	2,502.43
Current maturity of long term loans	530.22	768.41
<b>Total current borrowings</b>	<b>1,833.90</b>	<b>3,270.84</b>
<b>Aggregate value of secured loans</b>	<b>2,064.51</b>	<b>3,922.37</b>
<b>Aggregate value of unsecured loans</b>	<b>7,956.55</b>	<b>9,531.83</b>

**Term Loan:**

Term loan 2 (secured) carries the rate of interest rate from 2 to 6 % in Euro p.a. The loan is secured by mortgage on commercial property, equipments, machines & inventories, in Cunewalde, Germany.

Unsecured loan from related party carries interest at the rate 1.50% - 2% p.a.

**Cash credit from banks:**

Cash credit of Rs. 1303.67 lacs (31 March 2024 Rs. 2,502.43 lacs) is secured by hypothecation of current assets of the Company. Cash credit has also been secured by collateral securities of existing and future moveable and immoveable fixed assets of Köblitzer Str. 7, 02733 Cunewalde, Germany. The carrying amounts of property, plant and equipment pledged as security for non-current borrowings are disclosed in note 3 and carrying amount of inventories, trade receivables and fixed deposits are pledged as security for short term borrowings.

**Note 12: Other financial liabilities**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Other financial liabilities at amortised cost</b>		
Interest accrued	36.17	11.60
Employee benefit liabilities	278.60	248.57
Other payables	82.90	188.70
<b>Total</b>	<b>397.67</b>	<b>448.87</b>
<b>Non - current</b>	-	-
<b>Current</b>	<b>397.67</b>	<b>448.87</b>

**Note 13: Lease liabilities**

Particulars	As at 31 March 2025	As at 31 March 2024
Lease Liabilities	2,050.83	738.67
<b>Total</b>	<b>2,050.83</b>	<b>738.67</b>
<b>Non - Current</b>	668.18	380.31
<b>Current</b>	1,382.65	358.36
	<b>2,050.83</b>	<b>738.67</b>





**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 14: Deferred tax assets/liabilities (net)**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>I. Deferred tax assets</b>		
Deferred tax asset on carried forward losses	577.52	488.83
<b>Gross deferred tax asset</b>	<b>577.52</b>	<b>488.83</b>
<b>II. Deferred tax liability</b>		
Property, plant and equipment: Impact of difference between tax depreciation and	167.87	178.28
	<b>167.87</b>	<b>178.28</b>
<b>Net deferred tax asset/(liability)</b>	<b>409.65</b>	<b>310.55</b>
Opening deferred tax asset/(liability)	310.55	36.91
Charged to profit and loss account	91.95	282.07
Foreign exchange gain/loss	7.15	(8.43)
Closing deferred tax asset/(liability)	<b>409.65</b>	<b>310.55</b>

The major components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:

	As at 31 March 2025	As at 31 March 2024
<b>Profit or loss section</b>		
Current tax	-	101.23
Deferred tax	(91.95)	(282.07)
<b>Income tax expenses reported in the statement of profit or loss</b>	<b>(91.95)</b>	<b>(180.84)</b>

Reconciliation of tax expense and the accounting profit multiplied by tax rate for 31 March 2025 and 31 March 2024:

	As at 31 March 2025	As at 31 March 2024
<b>Accounting profit before income tax</b>	<b>(2,828.27)</b>	<b>(3,937.19)</b>
At statutory income tax rate of 23.21% (31 March 2024: 23.21%)	(656.44)	(913.82)
Deferred tax asset not recognised on losses	564.49	732.98
At the effective income tax rate of 3.25% (31 March 2024: 4.59%)	<b>(91.95)</b>	<b>(180.84)</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>(91.95)</b>	<b>(180.84)</b>

**Break up of financial liabilities carried at amortised cost**

Particulars	As at 31 March 2025	As at March 31, 2024
Borrowings (non-current) (note 11)	8,187.16	10,183.36
Borrowings (current) (note 11)	1,833.90	3,270.84
Trade payables (note 15)	2,433.39	3,025.65
Other financial liabilities (note 12)	361.50	437.28
<b>Total</b>	<b>12,815.94</b>	<b>16,917.13</b>



**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

(All amounts in rupees lakhs unless otherwise stated)

**Note 15: Trade payables**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2,433.39	3,025.65
<b>Total trade payables</b>	<b>2,433.39</b>	<b>3,025.65</b>
Non-current	-	-
Current	2,433.39	3,025.65
<b>Total</b>	<b>2,433.39</b>	<b>3,025.65</b>

**Trade payables ageing schedule - March 31, 2025**

Particulars	Unbilled dues	Payables not due	Less than 1 year	1-2 years	More than 2 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	329.46	974.37	1,129.56	-	-	2,433.39
(iv) Disputed dues - Others	-	-	-	-	-	-
	<b>329.46</b>	<b>974.37</b>	<b>1,129.56</b>	-	-	<b>2,433.39</b>

**Trade payables ageing schedule - March 31, 2024**

Particulars	Unbilled dues	Payables not due	Less than 1 year	1-2 years	More than 2 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	107.89	1,163.72	1,740.07	13.97	-	3,025.65
(iv) Disputed dues - Others	-	-	-	-	-	-
	<b>107.89</b>	<b>1,163.72</b>	<b>1,740.07</b>	<b>13.97</b>	-	<b>3,025.65</b>

**Note 16: Other current liabilities**

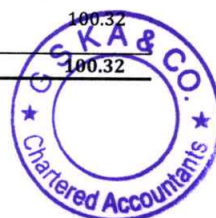
Particulars	As at 31 March 2025	As at 31 March 2024
Advances from customers	898.43	1,059.61
Other payable	647.76	813.77
Other taxes payable	111.01	209.51
<b>Total</b>	<b>1,657.20</b>	<b>2,082.88</b>
Non-current	294.35	409.19
Current	1,362.85	1,673.69
<b>Total</b>	<b>1,657.20</b>	<b>2,082.88</b>

**Note 15: Provisions**

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for warranty	434.45	347.40
<b>Total</b>	<b>434.45</b>	<b>347.40</b>
Non Current	285.57	145.30
Current	148.88	202.10
	<b>434.45</b>	<b>347.40</b>

**Note 17: Current tax liabilities (net)**

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for income tax (net of advance taxes)	3.20	100.32
<b>Total</b>	<b>3.20</b>	<b>100.32</b>





**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 18: Revenue from operations**

Particulars	As at 31 March 2025	As at 31 March 2024
Sale of products	19,889.67	28,866.88
Sale of Parts	-	1.45
Sale of services	510.11	1,558.52
<b>Total sale of products and services</b>	<b>20,399.78</b>	<b>30,426.85</b>
<b>Other operating income</b>	<b>229.96</b>	<b>293.07</b>
<b>Total other operating income</b>	<b>229.96</b>	<b>293.07</b>
	<b>20,629.73</b>	<b>30,719.92</b>

**Note 19: Other income**

Particulars	As at 31 March 2025	As at 31 March 2024
Profit on sale of property, plant and equipments	-	17.92
Incomes from electricity and energy tax	-	41.46
Miscellaneous income	265.50	163.97
	<b>265.50</b>	<b>223.35</b>

**Note 20: Cost of raw materials and components consumed**

Particulars	As at 31 March 2025	As at 31 March 2024
Inventory at the beginning of the year	815.97	5,805.00
Add: purchases	8,185.85	8,992.96
	9,001.81	14,797.96
Less: inventory at the end of the year	1,830.98	815.97
<b>Cost of raw materials and components consumed</b>	<b>7,170.83</b>	<b>13,981.99</b>

**Note 21: (Increase) / decrease in inventories**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Opening stock:</b>		
Finished goods	442.69	494.68
Semi-finished goods	3,188.61	6,645.89
	<b>3,631.30</b>	<b>7,140.57</b>
<b>Closing stock:</b>		
Finished goods	265.51	442.69
Semi-finished goods	1,354.99	3,188.61
	<b>1,620.51</b>	<b>3,631.30</b>
<b>(Increase)/decrease in inventories</b>	<b>2,010.79</b>	<b>3,509.27</b>



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 22: Employee benefit expenses**

Particulars	As at 31 March 2025	As at 31 March 2024
Salaries, wages, bonus and commission	5,773.27	6,822.21
Contribution to social security and other funds	1,566.31	1,622.85
Staff welfare expenses	101.17	141.74
Expenses for retirement benefits	76.59	103.58
	<b>7,517.34</b>	<b>8,690.38</b>

**Note 23: Other expenses**

Particulars	As at 31 March 2025	As at 31 March 2024
Consumption of components and spares	615.55	1,337.43
Packing materials consumed	27.71	35.50
Power and fuel expenses	889.90	1,181.87
Job work expenses	479.59	461.94
Freight outward charges	33.68	37.28
Rent	299.81	226.22
Rates and taxes	9.08	21.42
Insurance	169.05	231.66
Repairs and maintenance		
Plant and machinery	189.52	395.90
Building	2.15	23.43
Others	354.81	309.85
Advertisement and sales promotion	91.06	83.25
Donation	0.01	2.47
Printing and stationary	15.19	21.87
Warranty Costs	97.10	323.90
Travelling and conveyance	259.28	363.63
Telephone and Communication Expenses	51.21	56.35
Legal and professional fees	538.60	668.66
Auditors' remuneration and expenses		
Statutory audit	31.34	51.98
Provision for doubtful debts (net of write backs)	375.77	-
Loss on fixed assets sold /discarded (net)	75.86	-
Research and other expenses	-	114.16
Miscellaneous expenses	217.61	340.05
	<b>4,823.88</b>	<b>6,288.81</b>

**Note 24: Finance costs**

Particulars	As at 31 March 2025	As at 31 March 2024
Interest on borrowings	361.63	454.16
Bank charges	0.53	0.55
Other finance costs	85.16	39.12
	<b>447.31</b>	<b>493.82</b>



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 25: Finance income**

Particulars	As at 31 March 2025	As at 31 March 2024
Interest income on Others	-	2.86
<b>Total finance income</b>	<b>-</b>	<b>2.86</b>

**Note 26: Depreciation and amortisation expense**

Particulars	As at 31 March 2025	As at 31 March 2024
Depreciation of property, plant and equipment	1,375.85	1,951.11
Amortisation of intangible assets	72.40	1,797.11
	<b>1,448.25</b>	<b>3,748.23</b>

**Note 27: Exceptional Items**

Particulars	As at 31 March 2025	As at 31 March 2024
Write Back of advances received from customer on order cancellat	-	7,024.24
Write down of inventory to net realisable value in relation to the cancelled order	-	-3,650.04
Impairment of property, plant and equipment	-	-1,545.01
Impairment of goodwill	-305.11	-
	<b>-305.11</b>	<b>1,829.19</b>





**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

*(All amounts in rupees lakhs unless otherwise stated)*

**Note 28: Income Tax**

The major components of income tax expense for the years ended 31 March 2025 and 31 March 2024 are:

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Current income tax:</b>		
Current income tax charge	-	101.23
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	-15.02	(355.69)
Relating to carry forward losses	-76.92	82.05
Foreign exchange gain/ loss		-8.43
<b>Total deferred tax</b>	<b>(91.95)</b>	<b>(282.07)</b>
<b>Income tax expense reported in the statement of profit or loss</b>	<b>(91.95)</b>	<b>(180.84)</b>



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 29: Earnings per share (EPS)**

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computation

Particulars	As at 31 March 2025	As at 31 March 2024
Loss attributable to equity holders of Holding Company for basic and diluted E	(2,736.32)	(3,756.35)
Weighted average number of equity shares in calculating basic and diluted EPS	140.20	140.20
Earnings per share (basic and diluted) (Rupees/share)	(19.52)	(26.79)

**Note 30: Components of other comprehensive income (OCI)**

	Capital Reserve	Foreign currency translation reserve	Retained earnings	Total
<b>During the year ended 31 March 2025</b>				
Foreign exchange translation differences	-	(79.53)	-	(79.53)
<b>Total</b>	-	(79.53)	-	(79.53)
<b>During the year ended 31 March 2024</b>				
Foreign exchange translation differences	-	63.15	-	63.15
<b>Total</b>	-	63.15	-	63.15



**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

*(All amounts in rupees lakhs unless otherwise stated)*

**Note 31: Related party transactions**

**A Names of the related party and related party relationship:**

**a) Related party whose control exists**

**i) Holding company**

Precision Camshafts Limited (India)

**ii) Subsidiary**

MFT Motoren Und Fahrzeugtechnik GMBH ( Germany)

Emoss Mobile Systems B.V., Netherlands

**iii) Key management personnel (KMP)**

Mr. Heldt, Oliver (Till 28.02.2025)

Mr. Yatin Shah, Director B

Mr. Karan Shah, Director B (w.e.f. 01.07.2021)

Ms. Smita Mandem, Director A

Ms. Romita Mehta, Director A





**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 202***(All amounts in rupees lakhs unless otherwise stated)***B. The transactions with related parties during the year and their outstanding balances are as follows:**

Sr. No.	Particulars	Key management personnel		Entities where KMP / RKMP have significant influence		Holding Company	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	<b>Transactions</b>						
1	Management fees paid	-	-	-	-	-	-
2	Remuneration	180.57	201.73	-	-	-	-
3	Loan received	-	-	-	-	-	-
4	Interest on loan received	-	-	-	-	171.02	180.80
5	Issue of equity shares including conversion of loans	-	-	-	-	-	-
6	Sale of goods, material or services	-	-	-	-	-	2.55
	<b>Balances outstanding</b>						
1	Remuneration payable	12.20	13.03	-	-	-	-
2	Loan received	-	-	-	-	7,956.55	9,531.83
3	Interest on loan received	-	-	-	-	36.17	7.08
4	Trade and other receivables					7.50	25.26



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***C. Disclosure in respect of material related party transaction during the year:**

Sr. No.	Particulars	Relationship	31 March 2025	31 March 2024
1	<b>Management fees</b> Hormiga Management B.V. M.A. Noordam Holding B.V.	Entities where KMP / RKMP have significant influence	- -	- -
2	<b>Remuneration</b> Mr. Heldt, Oliver Smita Mandem Romita Mehta	Key management personnel (KMP)	146.42 28.75 5.40	168.56 27.83 5.34
3	<b>Sale of goods, material or services</b> Precision Camshafts Limited (India)	Holding Company	-	2.55
4	<b>Loan given by Holding Company</b> Precision Camshafts Limited (India)	Holding Company	-	-
5	<b>Interest on Loan given by Holding Company</b> Precision Camshafts Limited (India)	Holding Company	171.02	180.80

**Balances outstanding**

Sr. No.	Particulars	Relationship	31 March 2025	31 March 2024
1	<b>Remuneration payable</b> Mr. Heldt, Oliver	Key management personnel (KMP)	12.20	13.03
2	<b>Loan given by Holding Company</b> Precision Camshafts Limited (India)	Holding Company	7,956.55	9,531.83
3	<b>Trade and other receivables</b> Precision Camshafts Limited (India)	Holding Company	7.50	25.26
4	<b>Interest on Loan given by Holding Company</b> Precision Camshafts Limited (India)	Holding Company	36.17	7.08



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 32: Segment information**

The Group is engaged in manufacturing of Camshafts. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into single operating segment, however based on the distribution of activities, the chief operating decision make identified Europe and outside Europe as two reportable geographical segments.

Revenue from Customers	31 March 2025	31 March 2024
Europe	17,706.00	23,668.43
Others	2,923.74	7,051.49
	<u>20,629.73</u>	<u>30,719.92</u>
<b>Total revenue</b>	<u><u>20,629.73</u></u>	<u><u>30,719.92</u></u>

The revenue information above is based on the locations of the customers.

Non-current operating assets*	31 March 2025	31 March 2024
Europe	3,630.06	4,426.32
Others	-	-
	<u>3,630.06</u>	<u>4,426.32</u>
<b>Total</b>	<u><u>3,630.06</u></u>	<u><u>4,426.32</u></u>

\* As defined in paragraph 33 (b) of Ind AS 108 "Operating segments" non current assets excludes financial instruments, deferred tax assets and post-employment benefit assets.

**The revenue information based on major customers:**

Company's significant revenues are derived from three customers (March 31, 2024: seven customers) contributing 10% or more to the company revenue represented approximately INR: 9,243.03 Lakhs (March 31, 2024 : INR 22,274.12 Lakhs) of the company's total revenue from operations.





**Note 33: Fair values**

There are no financial instruments which are carried at fair value at the year end. The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. For fixed rate borrowings, their fair value approximate their carrying amounts mainly due to the movement in interest rates from recognition of such financial instrument period end not being material.

**Note 34: Significant accounting judgements, estimates and assumptions**

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management Note 36
- Financial risk management objectives and policies Note 37
- Sensitivity analyses disclosures Notes 37

**Judgements**

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

**Estimates and assumptions**

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

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group. The key assumptions used to determine the recoverable amount for the different CGUs, including a sensitivity analysis, are disclosed and further explained in Note 37.

**Provision for expected credit losses of trade receivables and contract assets**

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 7.

**Leases - Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

**Goodwill impairment:**

The group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.





**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 35: Group Information**

Name	Country of incorporation	Principal activities	% equity interest	
			31-Mar-25	31-Mar-24
MFT Motoren und Fahrzeugtechnik GmbH	Germany	Manufacturing of camshafts as well as prismatic components	100%	100%
Emoss Mobile Systems B.V., Netherlands	Netherlands	Designing, developing, producing and supplying complete electric powertrains for trucks, busses, military vehicles and heavy equipment	100%	100%

**Note 36: Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents, other bank balances and short term investments.

	31 March 2025	31 March 2024
Borrowings	10,021.06	13,454.20
Trade payables	2,433.39	3,025.65
Other financial liabilities	397.67	448.87
Lease liabilities	2,050.83	738.67
Less: cash and cash balances	(1,884.51)	(3,232.29)
<b>Net debt</b>	<b>13,018.43</b>	<b>14,435.11</b>
Equity	11,785.49	11,785.49
Other equity	(17,017.11)	(14,201.26)
<b>Total Equity</b>	<b>(5,231.62)</b>	<b>(2,415.77)</b>
<b>Gearing ratio</b>	<b>167.19%</b>	<b>120.10%</b>

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

**Note 37: Financial risk management objectives and policies**

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings; trade and other payables, and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, investments in mutual funds and cash and cash equivalents that derive directly from its operations.

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

**Market risk**

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2025 and 31 March 2024.

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

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

**Interest rate risk**

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



**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Sensitivity**

Year	Increase/ decrease in basis points	Effect on profit before tax
31-Mar-25	50 (50)	10.32 (10.32)
31-Mar-24	50 (50)	19.61 (19.61)

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

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Group does not have any foreign currency exposure as at 31 March 2025.

**Commodity risk**

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of Camshafts, parts of diesel engine, break parts and parts of measuring instruments and therefore require a continuous supply majorly of Pig iron, MS Scrap, Resin coated sand and steel bars.

The Group's exposure to the risk of exchange in key raw material prices are mitigated by the fact that the price increases/decreases from the vendors are passed on to the customers based on understanding with the customers. Hence the fluctuation of prices of key raw materials do not materially affect the consolidated statement of profit and loss. Also as at March 31, 2025, there were no open purchase commitments/ pending material purchase order in respect of key raw materials.

Accordingly, no sensitivity analysis have been performed by the management.

**Credit risk**

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

**Trade receivables**

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

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

**Liquidity risk**

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

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Year ended 31 March 2025</b>				
Non-current borrowings	-	8,187.16	-	8,187.16
Current borrowings	1,833.90	-	-	1,833.90
Other financial liabilities	397.67	-	-	397.67
Lease liability	1,382.65	668.18	-	2,050.83
Trade payables	2,433.39	-	-	2,433.39
<b>Total</b>	<b>6,047.61</b>	<b>8,855.34</b>	<b>-</b>	<b>14,902.95</b>

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Year ended 31 March 2024</b>				
Non-current borrowings	-	10,183.36	-	10,183.36
Current borrowings	3,270.84	-	-	3,270.84
Other financial liabilities	448.87	-	-	448.87
Lease liability	358.36	380.31	-	738.67
Trade payables	3,025.65	-	-	3,025.65
<b>Total</b>	<b>7,103.73</b>	<b>10,563.67</b>	<b>-</b>	<b>17,667.40</b>





**PCL (International) Holding B.V.****Notes to the special purpose consolidated financial statements for the year ended March 31, 2025***(All amounts in rupees lakhs unless otherwise stated)***Note 38 : Leases where company is a lessee**

The company has obtained office premises and car on lease. Payment of lease rentals has been made in accordance with the rentals specified in Schedule. Lease liability has been recognised in the books of accounts by company at present value of lease payments and Right of use asset at cost in accordance with the requirements of IND AS 116.

**ia) Changes in the carrying value of right-of-use assets**

Particulars	Right of use Asset- Land and building and others	Right of use Asset- Plant and machinery (sold and leased back)	Total
Balance as at 01 April 2023	1,046.04	-	1,046.04
Additions	270.00	-	270.00
Deletion	(215.57)	-	(215.57)
Depreciation	(443.35)	-	(443.35)
Foreign currency translation reserve	6.74	-	6.74
Balance as at 31 March 2024	663.72	-	663.72
Additions	349.56	791.29	1,140.85
Deletion	(46.83)	-	(46.83)
Depreciation	(306.06)	(118.69)	(424.76)
Foreign currency translation reserve	17.55	4.89	22.44
Balance as at 31 March 2025	677.93	677.49	1,355.42

**ib) Changes in the lease liabilities**

Particulars	Right of use Asset- Land and building and others	Right of use Asset- Plant and machinery (sold and leased back)	Total
Balance as at 01 April 2023	1,117.55	-	1,117.55
Additions	270.00	-	270.00
Lease Payments	(648.89)	-	-648.89
Balance as at 31 March 2024	738.67	-	738.67
Additions	341.23	1,585.41	1,926.64
Lease Payments	-352.66	-261.80	-614.47
Balance as at 31 March 2025	727.23	1,323.61	2,050.83

**(ii) Break-up of current and non-current lease liabilities**

Particulars	March 31, 2025	March 31, 2024
Current lease liabilities	1,382.65	358.36
Non-current lease liabilities	668.18	380.31

**(iii) 'Maturity analysis of lease liabilities**

Particulars	March 31, 2025	March 31, 2024
Less than one year	1,382.65	358.36
One to five years	668.18	380.31
More than five years	-	-
Total	2,050.83	738.67

**(iv) Amounts recognised in statement of profit and loss account**

Particulars	March 31, 2025	March 31, 2024
Interest on lease liabilities	85.16	39.12
Depreciation on ROU asset	424.76	443.35
Total	509.91	482.47

**v) Amounts recognised in statement of cash flows**

Particulars	March 31, 2025	March 31, 2024
Total cash outflow for leases	352.66	648.89



**PCL (International) Holding B.V.**

**Notes to the special purpose consolidated financial statements for the year ended March 31, 2025**

*(All amounts in rupees lakhs unless otherwise stated)*

**Note 39: Previous year comparatives**

Previous year's figures have been regrouped/reclassified to correspond with the current year's classification/disclosure.

**For G S K A & Co.**

Chartered Accountants

ICAI Firm Registration Number:147093W



**per Ganesh Gaikwad**

Partner

Membership Number: 136512

Place: Pune

Date: May 27, 2025



**For and on behalf of the Board of Directors of**

PCL (International) Holding B.V.



**Yatin S Shah**

Director

DIN : 00318140

Place: Pune

Date: May 27, 2025



**Karan Shah**

Director

DIN : 07985441

Place: Pune

Date: May 27, 2025