

BLUE STAR ENGINEERING & ELECTRONICS LIMITED

Financial Statement for the year ended March 31, 2024

INDEPENDENT AUDITOR'S REPORT

To The Members of BLUE STAR ENGINEERING & ELECTRONICS LIMITED Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Blue Star Engineering & Electronics Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report (herein referred to as "other information") but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.



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- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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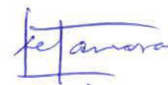
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail was not enabled at the database level to log any direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for which the audit trail feature was operating.

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

- 2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Ketan Vora
Partner

Membership No. 100459
UDIN: 24100459BKFASW5946

Place: Mumbai
Date: April 30, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of Blue Star Engineering & Electronics Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



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Meaning of Internal Financial Controls with reference to financial statements

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

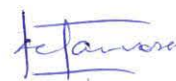
Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on criteria for internal financial control with reference to financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Ketan Vora
Partner

Membership No. 100459
UDIN: 24100459BKFASW5946

Place: Mumbai
Date: April 30, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to paragraph 2 under 'Report on Other Legal and Regulatory Requirement' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and investment properties.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i)(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress, investment properties, so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain assets were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i)(c) Based on our examination of the registered title deed and other records provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment, capital work-in progress and investment property) are held in the name of the Company as at the balance sheet date.

(i)(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(i)(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) The inventories except for (goods-in-transit), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.

(ii)(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock, creditors, book debt statements, statements on ageing analysis of the debtors and other stipulated financial information) filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters. The Company has not been sanctioned any working capital facility from financial institutions.



(iii) The Company has granted unsecured loans, to companies during the year, in respect of which:

(iii)(a) The Company has provided unsecured loans to companies and other parties, during the year and details of which are given below:

Particular	Amount (Rs. In lakhs)
	Loans
A. Aggregate amount granted / provided during the year:	
- Parent Company	8,500
- Fellow Subsidiary	3,500
- Others (Employees)	5.50
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Parent Company	8,500
- Fellow Subsidiary	3,500
- Others (Employees)	62.55

The Company has not provided any guarantee or security to any other entity during the year.

(iii) (b) In our opinion, the terms and conditions of the grant of all the above-mentioned loans provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(iii) (c) In respect of loans granted the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(iii)(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(iii)(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii)(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii)(a) According to the information and explanations given to us, in respect of statutory dues:



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Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(vii) (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount involved (Rs. In lakhs)	Amount Paid (Rs. In lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending
Maharashtra Value Added Tax, 2022	Value Added Taxes, Interest, and Penalty on the same	122.16	99.64	FY 2013-14	Appellate Tribunal
GST Law, Delhi	GST Tax, Interest Penalty on the same	3.53	0.16	2017-18	APPELLATE JOINT COMMISSIONER OF STATE TAX,
GST Law, Kerala	GST Tax, Interest Penalty on the same	1.42	0.05	2017-18	Appellate Authority
GST Law, Gujrat	GST Tax, Interest Penalty on the same	18.34	1.21	2020-21	Appellate Authority

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)(a) In our opinion, the company has not defaulted in the repayment of loans or other borrowings, or in payment of interest thereon to any lender during the year.

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

(ix)(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(ix)(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(ix)(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.



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(ix)(f) The Company did not have any subsidiary or associate or joint venture during the year and hence reporting on clause (ix)(f) of the Order is not applicable.

(x)(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(x) (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi)(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi)(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi)(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us, in terms of Rule 4 of the Companies (Appointment and qualification of Directors) Rules, 2014 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, provisions of Section 177 of the Act are not applicable to the Company.

In our opinion, the Company is in compliance with 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(xiv) (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2024.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

(xvi) (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.



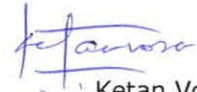
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(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management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

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

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Ketan Vora
Partner

Membership No. 100459
UDIN: 24100459BKFASW5946

Place: Mumbai
Date: April 30, 2024

Particulars	Notes	As at 31st March, 2024 ₹ Lakhs	As at 31st March, 2023 ₹ Lakhs
A ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	3(a)	1,489.95	1,331.80
(b) Investment Properties	3(b)	3,415.63	3,543.62
(c) Intangible Assets	3 (c)	36.53	15.43
(d) Financial assets			
-Loans	4(a)	24.92	29.89
(e) Deferred Tax Assets (Net)	15	364.46	357.85
(f) Other non-current assets	9	2,180.67	1,361.65
Total Non-Current Assets		7,512.16	6,640.24
2. Current assets			
(a) Inventories	5	4,942.36	3,939.77
(b) Financial Assets			
(i) Investments	6	3,002.12	1,013.33
(ii) Trade Receivables	7	8,723.05	8,280.30
(iii) Cash and cash Equivalents	8	5,487.69	2,727.82
(iv) Loans	4(a)	12,037.63	15,543.45
(v) Other Financial Assets	4(b)	114.45	127.77
(c) Other Current Assets	9	4,259.94	5,373.65
Total Current Assets		38,567.24	37,006.09
TOTAL ASSETS		46,079.40	43,646.33
B EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	10(a)	1,058.50	1,058.50
(b) Other Equity	10(b)	25,713.72	21,290.36
Total Equity		26,772.22	22,348.86
2. Non-Current Liabilities			
(a) Financial Liabilities			
-Other financial liabilities	12	257.97	255.14
(b) Provisions	14	-	3.30
(c) Other non-current liabilities	13	1,199.33	1,842.82
Total Non-Current liabilities		1,457.30	2,101.26
3. Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
a. Total outstanding dues of Micro Enterprises and Small Enterprises	11	398.04	1.51
b. Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	11	7,833.74	9,190.41
(b) Other Current Liabilities	13	6,631.76	7,781.47
(c) Provisions	14	1,122.58	965.80
(d) Current tax liabilities (Net)	15	1,863.76	1,257.02
Total - Current liabilities		17,849.88	19,196.21
Total liabilities		19,307.18	21,297.47
TOTAL - EQUITY AND LIABILITIES		46,079.40	43,646.33

Summary of material accounting policies
 The accompanying notes are an integral part of the financial statements

2
 1 to 42

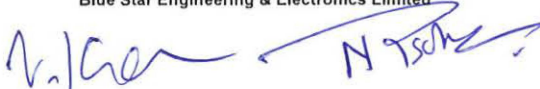
In terms of our report attached
 For DELOITTE HASKINS & SELLS LLP
 Chartered Accountants

For and on behalf of the Board of Directors of
 Blue Star Engineering & Electronics Limited



Ketan Vora
 Partner
 Membership No: 100459

Place : Mumbai
 Date: April 30, 2024

Vir S Advani
 Chairman
 Din: 01571278

Nikhil Sohoni
 Director
 Din: 06852639



Prem Kalliath
 CEO & Director
 Din: 07249861



Yogesh Joshi
 CFO & Company
 Secretary

Place : Mumbai
 Date: April 23, 2024



Blue Star Engineering & Electronics Limited
CIN No : U70200MH2010PLC204612
Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	For the year ended	
		31st March, 2024 ₹ Lakhs	31st March, 2023 ₹ Lakhs
Revenue from operations	16	38,114.26	34,992.23
Other Income	17	1,488.51	1,057.02
Total Income (I)		39,602.77	36,049.25
Expenses			
Cost of material consumed and Project cost	18	3,148.97	3,711.26
Purchase of Stock-in-trade	18	23,907.22	22,928.52
Changes in Inventories of stock-in-trade	18	(1,002.59)	(2,195.07)
Employee benefits expense	19	3,913.61	3,416.28
Depreciation and amortization expenses	20	245.42	312.24
Finance costs	21	76.45	82.75
Other expenses	22	3,040.57	2,303.87
Total Expenses (II)		33,329.65	30,559.85
Profit before tax (I) - (II)		6,273.12	5,489.40
Tax Expense			
i) Current tax	15	1,644.71	1,476.37
ii) Deferred tax	15	(6.61)	(14.79)
Total tax expense (III)		1,638.10	1,461.58
Profit after tax (IV)		4,635.02	4,027.82
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Remeasurement gain/(loss) on defined benefit plans		(8.91)	2.83
Income tax effect		2.25	(0.71)
Other comprehensive (loss) / income (V)		(6.66)	2.12
Total comprehensive income (IV+V)		4,628.36	4,029.94
Earnings per equity share of Rs. 2 each	23		
Basic (in Rs)		8.76	7.61
Diluted (in Rs)		8.76	7.61

Summary of material accounting policies
The accompanying notes are an integral part of the financial statements.

2
1 to 42

In terms of our report attached
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants

For and on behalf of the Board of Directors of
Blue Star Engineering & Electronics Limited

Ketan Vora

Ketan Vora
Partner
Membership No: 100459

Place : Mumbai

Date: April 30, 2024



Vir S Advani *Nikhil Sohoni*

Vir S Advani
Chairman
Din: 01571278

Nikhil Sohoni
Director
Din: 06852639

Prem Kalliath

Prem Kalliath
CEO & Director
Din: 07249861

Yogesh Joshi

Yogesh Joshi
CFO & Company
Secretary

Place : Mumbai
Date: April 23, 2024



Particulars	Year ended 31st March, 2024 ₹ Lakhs	Year ended 31st March, 2023 ₹ Lakhs
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	6,273.12	5,489.40
	6,273.12	5,489.40
Adjustments for :		
Depreciation and amortization expenses	245.42	312.24
Loss/(profit) on sale of property, plant and equipment other than freehold land	2.10	1.48
Bad debts written off and provision for doubtful debts	100.57	-
Provision for doubtful debts and advances and expected credit loss (net)	(14.31)	91.58
Net unrealised foreign exchange (gain)/loss	(8.08)	(33.84)
Net gain on sale of investments in mutual fund	(68.19)	(18.25)
Provisions and liabilities written back	(186.83)	(122.40)
Finance costs	76.45	82.75
Interest Income	(1,219.91)	(881.10)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	5,200.34	4,921.86
Movements in working capital :		
Increase/(decrease) in trade payables	(1,063.72)	2,917.16
Increase/(decrease) in provisions	144.58	287.77
Increase/(decrease) in other liabilities	(1,790.37)	811.86
(Increase)/decrease in trade receivables	(435.51)	(3,222.24)
(Increase)/decrease in inventories	(1,002.59)	(2,195.06)
(Increase)/decrease in other assets/financial assets	24.11	(33.72)
(Increase)/decrease in other assets	205.24	(1,241.75)
Cash generated from operations	1,282.08	2,245.88
Income taxes paid (net of refunds)	(1,035.74)	(942.79)
Net cash flows generated from operating activities (A)	246.34	1,303.09
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment towards purchase of Property, Plant & Equipment	(209.34)	(799.49)
Payment towards Investment in mutual fund	(14,660.00)	(5,000.00)
Proceeds from redemption of mutual fund	12,739.41	4,004.92
Interest Received	1,219.91	881.10
Inter corporate deposit repaid	15,500.00	16,000.00
Inter corporate deposit given	(12,000.00)	(15,500.00)
Net cash flow generated from investing activities (B)	2,589.98	(413.47)
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance cost paid	(76.45)	(82.75)
Net cash flow used in financing activities (C)	(76.45)	(82.75)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	2,759.87	806.87
Cash and cash equivalents at the beginning of the year	2,708.31	1,870.51
Effects of exchange differences on restatement of foreign currency cash and cash equivalents	19.51	50.44
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5,487.69	2,727.82
CASH AND CASH EQUIVALENTS COMPRISES OF		
- In current accounts	1,200.68	2,711.31
- Deposits with original maturity of less than 3 months	4,279.94	10.61
- Cash on hand	7.07	5.90
TOTAL CASH AND CASH EQUIVALENTS (Refer note 8)	5,487.69	2,727.82

Note : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS-7 on the Statement of Cash Flow as notified under Companies (Indian Accounting Standard) Rules, 2015 as amended.

Summary of material accounting policies

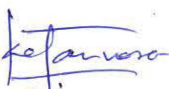
2

The accompanying notes are an integral part of the financial statements

1 to 42

In terms of our report attached
 For DELOITTE HASKINS & SELLS LLP
 Chartered Accountants

For and on behalf of the Board of Directors of
 Blue Star Engineering & Electronics Limited



Ketan Vora
 Partner
 Membership No: 100459



Place : Mumbai
 Date: April 30, 2024

Vir S Advani
 Chairman
 Din: 01571278

Nikhil Sohoni
 Director
 Din: 06852639



Prem Kalliath
 CEO & Director
 Din: 07249861



Yogesh Joshi
 CFO & Company
 Secretary

Place : Mumbai
 Date: April 23, 2024



Blue Star Engineering & Electronics Limited
 CIN No : U70200MH2010PLC204612
 Statement of Changes in Equity for the year ended March 31, 2024

(A) Equity Share Capital

For the year ended March 31, 2024

Balance as at April 1, 2023	Changes in Equity Share Capital during the year	Balance as at March 31, 2024
1,058.50	-	1,058.50

For the year ended March 31, 2023

Balance as at April 1, 2022	Changes in Equity Share Capital during the year	Balance as at March 31, 2023
1,058.50	-	1,058.50

(B) Other Equity

For the year ended March 31, 2024

Particulars	Reserves & Surplus			Total Other Equity
	Share Premium (refer note 10(b))	Capital Reserves	Retained Earning	
₹ Lakhs				
For the year ended March 31, 2024				
As at April 1, 2023	2,088.87	7,762.48	11,439.01	21,290.36
Adjustment during the year (refer note :35)	(205.00)			(205.00)
Profit for the year		-	4,635.02	4,635.02
Other Comprehensive Income	-	-	(6.66)	(6.66)
As at March 31, 2024	1,883.87	7,762.48	16,067.36	25,713.72

For the year ended March 31, 2023

Particulars	Reserves & Surplus			Total Other Equity
	Share Premium (refer note 10(b))	Capital Reserves	Retained Earning	
As at April 1, 2022	2,088.87	7,762.48	7,409.07	17,260.42
Profit for the year	-	-	4,027.82	4,027.82
Other Comprehensive loss	-	-	2.12	2.12
As at March 31, 2023	2,088.87	7,762.48	11,439.01	21,290.36

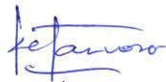
Summary of material accounting policies

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

2

1 to 42

In terms of our report attached
 For DELOITTE HASKINS & SELLS LLP
 Chartered Accountants



Ketan Vora
 Partner
 Membership No: 100459

Place : Mumbai
 Date: April 30, 2024



For and on behalf of the Board of Directors of
 Blue Star Engineering & Electronics Limited



Vir S Advani
 Chairman
 Din: 01571278



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 Director
 Din: 06852639



Prem Kalliath
 CEO & Director
 Din: 07249861



Yogesh Joshi
 CFO & Company Secretary

Place : Mumbai
 Date: April 23, 2024



1 Corporate information

Blue Star Engineering & Electronics Limited ("the Company") is a public company incorporated in the year 2010 (with effect from 27th February 2015, the name of the Company has changed from Blue Star Electro Mechanical Limited to Blue Star Engineering & Electronics Limited). The registered office of the company is located at Kasturi Buildings, Jamshedji Tata Road, Mohan T Advani Chowk, Mumbai – 400020
The Company is into distribution and maintenance of imported professional electronics and industrial systems and in the business of providing Plumbing & Fire Fighting Contracting Services, providing engineering services in the field of refrigerators and air conditioning, heating and ventilation and also renting of properties.
The financial statements of the Company have been approved by its Board of Directors on 23rd April, 2024

1A Statement of compliance

"The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The financial statements are presented in and all values are rounded to the nearest crores, except when otherwise indicated."

2 Summary Material Accounting Policies

(a) Basis of preparation and presentation

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(b) Critical accounting judgments and key sources of estimation uncertainty

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent assets and liabilities and the reported amounts of income and expense for the periods presented .

Estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the periods in which the estimates are revised and in future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in Note 24.

(c) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

i. Revenue from sale of traded goods:

Revenue from sale of traded goods is recognised at the point in time when control is transferred to the customer. Indicators that control has been transferred include, the establishment of the Company's present right to receive payment for the goods sold, transfer of legal title to the customer, transfer of physical possession to the customer, transfer of significant risks and rewards of ownership in the goods to the customer, and the acceptance of the goods by the customer.

ii. Revenue from construction contracts:

Contract revenues are recognised based on the stage of completion of the contract activity. Revenue is measured based on the proportion of contract costs incurred for satisfying the performance obligation to the total estimated contract costs, there being a direct relationship between the input and the productivity. Claims are accounted for as income when accepted by the customer.

Expected loss, if any, on a contracts is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Incremental costs of obtaining a contract if any, (such as professional fees and commission paid to acquire the contract) are recognized as assets and amortized over the term of the contract.

Contract modifications are accounted for, when additions, deletions or changes are approved either to the contract scope or contract price. Accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is a standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.



iii. Revenue from sale of services:

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period of the performance obligation. Commission income is recognized as and when the terms of the contracts are fulfilled. Repairs & service and installation revenue are recognised based on work certified by customer.

Revenue from service warranty is recognised based on the input cost method(based on the actual performance) of the contract .

iv. Dividend and Interest income:

Dividend income is accounted for when declared and the right to receive the same is established. Interest income is recognized using the effective interest method.

v. Rental income:

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

vi. Other income:

Other income is recognised as and when right to receive is established.

(d) Employee benefits

Short term benefits:

Salaries, wages, short-term compensated absences and other short term benefits, accruing to employees are recognised at undiscounted amounts in the period in which the employee renders the related service.

Retirement benefits

Defined contribution plan:

Payments to defined contribution retirement benefit plans are recognised as expense when employees have rendered the service entitling them to the contribution . The Company makes monthly contributions towards the employees' Provident fund.

Defined benefit plan:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution. Defined benefit plan: The company makes monthly contributions toward the employees' provident fund which is administered by a trust. In the event of an interest shortfall (between the interest declared by the Government and the interest paid by the fund) the deficiency is made good by the company, based on an actuarial valuation. The present value of the defined benefit obligation of employees' provident fund is determined using the projected unit credit method, with actuarial valuations being carried out at each year end. The Company's liability towards gratuity is determined based on the present value of the defined benefit obligation and fair value of plan assets and the net liability or asset is recognized in the balance sheet. The net liability or asset represents the deficit or surplus in the plan (the surplus is limited to the present value of the economic benefits available in the form of refunds from the plan or reductions in future contributions). The present value of the defined benefit obligation is determined using the projected unit credit method, with actuarial valuations being carried out at each year end. Defined benefit costs are composed of:

i. service cost – recognized in profit or loss;
ii. net interest on the net liability or asset - recognized in profit or loss;
iii. re-measurement of the net liability or asset - recognized in other comprehensive income

Other long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

(e) Leases

As a lessee

At the inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of a lease, the Company recognizes a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for short-term leases and low value leases. Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities.

(a) Right-of-use asset :

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from commencement date to earlier of, the end of useful life of the ROU assets or the end of the lease term. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section "m" Impairment of non-financial assets.



(f) Foreign currencies

The functional currency of the Company is the Indian rupee (₹).

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit or loss.

Foreign currency denominated non - monetary assets and liabilities that are measured at historical cost are not retranslated.

(g) Taxes

Income tax expense comprises current tax expense and the net change during the year, in the deferred tax asset or liability. Current and deferred taxes are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or in equity, in which case the related current and deferred tax are also recognised in other comprehensive income or in equity, respectively.

Current and Deferred Taxes 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.

Tax assets and tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts.

i. Current income tax

Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

ii. Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income 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.

The carrying amount of deferred income 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 income tax asset to be utilised.

Deferred tax assets paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(h) Property, plant and equipment (PPE)

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses.

Costs comprise of all costs incurred to bring the assets to their location and working condition up to the date the assets are put to their intended use.

When significant components of plant and equipment are replaced separately, the Company depreciates them based on the useful lives of the components. All other assets are depreciated to their residual values on written-down value basis over their estimated useful lives. Estimated useful lives of the assets are as follows:

Nature of tangible asset	Useful life (years)
	As per books
Buildings	23-60
Plant and Machinery	5-20
Furniture & fixtures	10
Office equipment	5
Vehicles	5
Computers	6

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

Any gain or loss arising on derecognition / disposal of an asset is included in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

With effect from October 1, 2022, the Company has revised the method of depreciation on property, plant and equipment (PPE) from Written Down Value (WDV) method to Straight Line Method (SLM) based on technical assessment done by independent technical consultants with regards to estimated useful lives of the assets and pattern of economic benefits expected to be generated from these assets. This change in depreciation method has resulted in lower depreciation expense in the Statement of Profit and Loss by ₹ 272 Lakhs for the year ended March 31, 2023.



Capital work-in-progress and capital advance

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Advances paid for the acquisition | construction of PPE which are outstanding at the Balance Sheet date are classified under the 'Capital Avances'.

(i) Intangible assets

Intangible assets acquired are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised on a straight- line basis over their estimated useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets are derecognised on disposal, or when no further economic benefits are expected from use or disposal. Any gain or loss arising from derecognition is included in profit or loss.

The useful lives of intangible assets are as mentioned below:

Nature of Intangible Asset

Method of Amortisation

Software(Acquired)

Straight Line method of assets over a period of 6 years

The residual values, useful lives, and methods of depreciation of Intangible assets are reviewed at each financial year end and adjusted prospectively, as appropriate.

(j) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates the building component of investment property over 23 to 60 years on written down value basis from the date of original purchase.

Investment properties are derecognized either when they have been disposed or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss arising on disposal of investment properties is included in Statement of Profit and Loss.

(k) Impairment of non-financial assets

At the end of each reporting period, property, plant and equipment and intangible assets with finite lives are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined for the individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets. When it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. During the period of development of an intangible asset, the asset is tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and an impairment loss is recognised in statement of profit and loss.

(l) Financial instruments

Recognition and initial measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized by the Company when it becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are Directly attributable to the acquisition or issue of a financial instrument are adjusted to fair value, except where the financial instrument is measured at Fair Value through profit or loss, in which case the transaction costs are immediately recognized in the Statement of Profit and Loss.

Financial assets

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks that are unrestricted for withdrawal and usage.

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

Financial assets at amortised cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

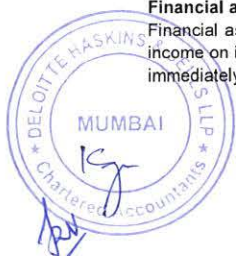
Wherever the customer has raised issue on contractual / performance obligation on goods and services delivered or received and is under discussion with the customer are treated as the disputed amount.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs Directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement Profit and Loss.



Financial liabilities and equity instruments

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred to repurchase in the near term. Whenever the vendor has raised issue on contractual / performance obligation on goods and services delivered or received and is under discussion with the vendor are treated as the disputed amount. Financial liabilities are designated upon initial recognition at fair value through statement Profit and Loss only if the criteria in Ind AS 109 are satisfied.

Other financial liabilities

Other financial liabilities (including borrowings and lease rental deposits are subsequent to initial recognition, measured at amortised cost using the effective interest rate (EIR) method.

Offsetting of financial assets and financial liabilities:

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 or to realise the asset and settle the liability simultaneously.

Equity instruments

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

Derivative financial instruments

The Company enters into derivative contracts to hedge foreign currency/price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit or Loss depends on the nature of the hedged item.

Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value measurement

When the fair values of financial assets or financial liabilities recorded and disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility risk.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in their entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.



(m) Inventories

Inventories including Work- in- Progress (other than construction contracts) are valued at cost or net realizable value, whichever is lower, the cost is worked out on a weighted average basis. Cost includes all charges for bringing the goods to their present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(n) Provisions and contingencies

Provisions

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions for warranties

The estimated liability for product warranties is recorded when products are sold / project is completed. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claims arise being typically upto five years .

Contingencies

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are neither recognised nor disclosed in the financial statements

(o) Segment reporting

Segments are identified based on the manner in which the chief operating decision-maker (CODM) decides about the resource allocation and reviews performance.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets/ liabilities".

(p) Earnings per share

The Company's Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders' of the Company.

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the weighted average number of common and dilutive shares outstanding during the year including share based payments, except where the result would be anti-dilutive.

(q) Current / Non-current classification :

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.



(f) **Recent accounting pronouncements: -**

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



Blue Star Engineering & Electronics Limited
CIN No : U70200MH2010PLC204612
Notes to Financial Statements for the year ended March 31, 2024

3(a) Property Plant & Equipment

Particulars	Buildings	Plant and Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Computers	Total
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Gross carrying amount							
As at April 1, 2022	1,194.05	116.65	0.20	20.72	113.77	4.55	1,450.04
Additions during the year	-	377.24	134.72	11.58	179.55	5.12	708.21
Disposals/transfer during the year	-	(2.62)	(0.90)	(1.49)	(48.75)	(4.51)	(58.27)
As at March 31, 2023	1,194.05	491.27	134.02	30.81	244.58	5.26	2,099.98
As at April 1, 2023	1,194.05	491.27	134.02	30.81	244.58	5.26	2,099.98
Additions during the year	-	166.74	5.43	2.62	118.76	2.59	296.14
Disposals/transfer during the year	-	(3.29)	-	-	(52.38)	-	(55.67)
As at March 31, 2024	1,194.05	654.72	139.45	33.43	310.96	7.85	2,340.46
Accumulated Depreciation							
As at April 1, 2022	570.47	64.70	0.13	17.69	82.64	3.76	739.39
Disposals during the year	-	(1.34)	(0.85)	(1.20)	(46.12)	(4.28)	(53.79)
Depreciation expense for the year	37.70	13.12	6.83	2.68	21.95	0.30	82.58
As at March 31, 2023	608.17	76.48	6.11	19.17	58.47	(0.22)	768.18
As at April 1, 2023	608.17	76.48	6.11	19.17	58.47	(0.22)	768.18
Disposals during the year	-	(0.36)	-	-	(28.79)	-	(29.15)
Depreciation expense for the year	21.18	25.70	12.88	2.73	47.02	1.96	111.47
As at March 31, 2024	629.35	101.82	19.00	21.89	76.70	1.75	850.51
Net carrying amount							
As at March 31, 2024	564.70	552.90	120.45	11.54	234.26	6.10	1,489.95
As at March 31, 2023	585.88	414.79	127.90	11.64	186.11	5.47	1,331.80



Blue Star Engineering & Electronics Limited
 CIN No : U70200MH2010PLC204612
 Notes to Financial Statements for the year ended March 31, 2024

3(b) Investment Properties

Particulars	₹ Lakhs
Gross carrying amount	
As at April 1, 2022	7,149.04
Additions during the year	-
Disposals during the year	-
As at March 31, 2023	7,149.04
Additions during the year	
Disposals during the year	
As at March 31, 2024	7,149.04
Accumulated Amortization	
As at April 1, 2022	3,379.40
Amortization expense for the year	226.02
Disposals during the year	
As at March 31, 2023	3,605.42
Amortization expense for the year	127.99
As at March 31, 2024	3,733.41
Net carrying amount	
As at March 31, 2024	3,415.63
As at March 31, 2023	3,543.62



Blue Star Engineering & Electronics Limited
 CIN No : U70200MH2010PLC204612
 Notes to Financial Statements for the year ended March 31, 2024

Information regarding Income & Expenditure of Investment properties recognised in the statement of profit and loss		₹ Lakhs	
Particulars	31st March, 2024	31st March, 2023	
Rental income	341.78	391.59	
Direct operating expenses (including repairs and maintenance) associated with rental income	(45.09)	(30.83)	
Total	296.69	360.76	
Less –Amortization expenses for the year	127.99	226.02	
Profit arising from investment property before indirect expenses	168.70	134.74	

- i) As at 31st March, 2024 and 31st March, 2023, the fair value of the property is ₹ 7336.05 lakhs and ₹ 7109.72 lakhs respectively.
- ii) The valuation is based on fair value assessment done by accredited independent valuer. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. Valuation is based on fair value assessment done by registered valuer as defined under rule 2 of Companies (Register Valuers and Valuation), Rules 2017.
- iii) The valuer has followed the Comparative Sales method for the purpose of this valuation and is based on the sale of premises in the vicinity, depending on the size, demand for such premises, quality of construction, amenities offered, location advantages, and value addition carried out to the premises, etc.
- iv) The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.
- v) All the title deed for immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the company.
- vi) The Company has no restrictions on the realisability of its investment properties and has no contractual obligations to purchase, construct or develop investment properties or has any plans for major repairs, maintenance and enhancements.

vii) Movement in fair value of investment properties		₹ Lakhs	
Particulars	31st March, 2024	31st March, 2023	
Opening fair value	7,109.72	7,014.03	
Movement during the year	226.33	95.69	
Closing fair value	7,336.05	7,109.72	



Blue Star Engineering & Electronics Limited

CIN No : U70200MH2010PLC204612

Notes to Financial Statements for the year ended March 31, 2024

3(c) Intangible Assets

Particulars	Software
	₹ Lakhs
Gross carrying amount	
As at April 1, 2022	14.50
Additions during the year	13.91
Disposals during the year	(0.35)
As at March 31, 2023	28.06
As at April 1, 2023	28.06
Additions during the year	27.07
Disposals during the year	-
As at March 31, 2024	55.13
Accumulated Amortization	
As at April 1, 2022	9.32
Amortization expense for the year	3.56
Disposals during the year	(0.25)
As at March 31, 2023	12.63
As at April 1, 2023	12.63
Amortization expense for the year	5.96
Disposals during the year	
As at March 31, 2024	18.60
Net carrying amount	
As at March 31, 2024	36.53
As at March 31, 2023	15.43



Blue Star Engineering & Electronics Limited

CIN No : U70200MH2010PLC204612

Notes to Financial Statements for the year ended 31st March 2024

4. Financial Assets

4(a) Loans (Unsecured considered good unless otherwise stated)

₹ Lakhs

Particulars	Non-current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Loans to employees	24.92	29.89	37.63	43.45
Inter-Corporate Deposits (refer note:26)	-	-	12,000.00	15,500.00
Total Loans	24.92	29.89	12,037.63	15,543.45

Note:

i) There are no loans payable on demand without specifying any terms or period of repayment in the current and previous year.

4(b) Other Financial Assets

₹ Lakhs

Particulars	Current	
	31st March, 2024	31st March, 2023
Security Deposit & Earnest Money Deposit, Considered Good	144.95	158.27
Less: Allowance for Doubtful Deposit	(30.50)	(30.50)
Security Deposit & Earnest Money Deposit (Net Balance)	114.45	127.77
Total Other Financial Assets	114.45	127.77

5. Inventories

(Valued at lower of cost and net realisable value)

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
Traded goods (includes in transit: 7.41 lakhs)(31st March,2023: ₹ 98.91 lakhs)	4,523.11	3,734.64
Demo Stock (net of amortisation)	419.25	205.13
	4,942.36	3,939.77

The above inventory value are net of provision made of ₹ 288 Lakh (31st March, 2023 ₹ 288 Lakh) for slow moving, obsolete and defective inventories.

6. Current Investments

₹ Lakhs

Particulars	31st March, 2024		31st March, 2023	
	Units	Amount	Units	Amount
Investment in units of mutual funds				
Mutual fund unquoted				
Kotak liquid direct growth	41,045.40	2,001.43	-	-
HDFC liquid-DP direct growth	21,107.85	1,000.69	28,955.93	1,013.33
Total	62,153.25	3,002.12	28,955.93	1,013.33

Aggregate amount of investments and market value thereof:

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
Aggregate carrying value of unquoted investments	3,002.12	1,013.33
Aggregate market value of unquoted investments	3,002.12	1,013.33



7. Trade Receivables

₹ Lakhs

Particulars	Current	
	31st March, 2024	31st March, 2023
Trade Receivables considered good-Unsecured	8,986.81	8,558.37
Trade Receivables - Credit impaired	1,129.89	1,129.89
	10,116.70	9,688.26
Less: Allowance for doubtful debts and Expected credit loss Provision	1,393.65	1,407.96
Total Trade receivables	8,723.05	8,280.30

The movement for allowance for doubtful debts during the year in respect of trade receivables containing significant credit risk are as follows:

Particulars	31st March, 2024	31st March, 2023
Opening balances as on 1st April	1,407.96	1,316.38
Provision for doubtful debts and advances and expected credit loss (net)	(14.31)	91.58
Closing balance as on 31st March	1,393.65	1,407.96

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



7a Trade receivables ageing schedule
 Trade receivables as on March 31, 2024

Particulars	Outstanding for following periods from due dates of payments as at 31st March 2024						₹ Lakhs
	Not due	Less than 6 Months	6 Month - 1 years	1-2 Years	2-3 Years	More than 3 Year	Grand Total
Undisputed							
Undisputed - considered good	3,505.40	3,828.71	682.43	478.50	260.08	231.69	8,986.81
Undisputed - credit impaired	-	-	-	3.53	25.61	1,100.75	1,129.89
Total (A)	3,505.40	3,828.71	682.43	482.03	285.69	1,332.44	10,116.70
Disputed							
Disputed - considered good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-	-
Less: Allowance for doubtful debts / Expected credit loss (C)							(1,393.65)
Grand Total (A+B-C)	3,505.40	3,828.71	682.43	482.03	285.69	1,332.44	8,723.05

Trade receivables as on March 31, 2023

Particulars	Outstanding for following periods from due dates of payments as at 31st March 2023						₹ Lakhs
	Not due	Less than 6 Months	6 Month - 1 years	1-2 Years	2-3 Years	More than 3 Year	Grand Total
Undisputed							
Undisputed - considered good	1,347.84	5,584.06	699.64	652.63	90.39	183.80	8,558.37
Undisputed - credit impaired	-	1.20	1.55	43.00	24.51	1,059.63	1,129.89
Total (A)	1,347.84	5,585.26	701.19	695.63	114.90	1,243.43	9,688.26
Disputed							
Disputed - considered Good	-	-	-	-	-	-	-
Disputed - considered doubtful	-	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-	-
Less: Allowance for doubtful debts and Expected credit loss (C)							(1,407.96)
Grand Total (A+B-C)	1,347.84	5,585.26	701.19	695.63	114.90	1,243.43	8,280.30

(i) Trade receivables are on non interest bearing credit terms and the credit period of the products are determined by the type of the products. In case of long term construction contracts, payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short term advances are received as per payment terms in the contract, before the performance obligation is satisfied.

(ii) The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on trade receivables and contract assets. The Company follows the simplified approach for recognition of impairment allowance on trade receivables and contract assets. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment allowance based on lifetime ECLs at each reporting date. ECL impairment loss allowance recognised during the period is recognised in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.



8. Cash and Cash Equivalents

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
Balances with banks:		
- In current accounts	1,200.68	2,711.31
- Fixed Deposits	4,279.94	10.61
Cash on hand	7.07	5.90
	5,487.69	2,727.82

9. Other Assets

₹ Lakhs

Particulars	Non-current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Contract Assets from construction contracts	-	-	271.87	288.96
Less: Impairment Allowance	-	-	-	(9.34)
Net Contract Assets from construction contracts	-	-	271.87	279.62
Contract Assets from annual maintenance contract services	-	-	157.19	221.16
Prepaid Gratuity (refer note 25)	7.61	-	-	-
Capital Advances	23.90	113.35	-	-
Balance with Government Authorities	55.28	52.96	205.10	284.53
Vendor Advances	-	-	1,857.04	2,067.05
Prepaid Expenses	2,093.88	1,195.34	1,636.04	2,521.29
Accrued Income	-	-	132.70	-
	2,180.67	1,361.65	4,259.94	5,373.65

The movement for allowance for doubtful contract asset during the year are as follows :

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
Opening Balance	(9.34)	(9.34)
Allowance reversed during the year	9.34	-
Closing balance	-	(9.34)

Categorisation of financial assets carried at amortized cost

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
Trade receivables (refer note 7)	8,986.81	8,558.37
Cash & cash equivalents (refer note 8)	5,487.69	2,727.82
Loans (current & non current) (refer note 4a)	12,062.55	15,573.34
Other Financial Assets (refer note 4b)	114.45	127.77
Total financial assets carried at amortized cost	26,651.50	26,987.30



10(a) Share capital

Authorised share capital	31st March, 2024		31st March, 2023	
	No.	₹ Lakh	No.	₹ Lakh
10% Cumulative redeemable preference shares of ₹ 100 each	18,00,000	1,800.00	18,00,000	1,800.00
Equity shares of ₹ 2 each	5,50,00,000	1,100.00	5,50,00,000	1,100.00

Terms & rights to preference shares :

The preference shares shall rank for the dividend in priority to the equity shares of the Company in the event of increase in share capital or winding up of the Company up to amount of dividend or any arrears of dividend. Preference share holders will not have any further right to participate in the profits or assets of the Company.

Terms/rights attached to equity shares

The company has only one class of Equity Shares having par value of ₹. 2 per share. Each share holder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion of number of equity shares held by the shareholders.

Issued and subscribed and paid up Equity share capital

Equity Shares of ₹ 2 each issued, subscribed & fully paid up	Balance as at 31st March, 2024		Balance as at 31st March, 2023	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	5,29,25,052	1,058.50	5,29,25,052	1,058.50
Issued during the year	-	-	-	-
Outstanding at the end of the year	5,29,25,052	1,058.50	5,29,25,052	1,058.50

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

Name of the shareholder	31st March, 2024		31st March, 2023	
	Numbers	% holding in the class	Numbers	% holding in the class
Blue Star Limited, the Holding Company and its Nominees	5,29,25,052	100.00%	5,29,25,052	100.00%

Shareholding pattern of promoters and changes in holding during the year

Name of the shareholder	31st March, 2024		31st March, 2023		% Changes during the year
	Numbers	% holding in the class	Numbers	% holding in the class	
Blue Star Limited, the Holding Company and its Nominees	5,29,25,052	100.00%	5,29,25,052	100.00%	0%

There were no shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.



10(b) Other Equity-Nature & purpose of Reserve

Securities premium – Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares have been transferred to "Securities Premium Reserve". These reserves shall be used in accordance with the section 52 of the companies Act, 2013 as amended from time to time.

Capital reserve -The capital reserve recognised in the financial statements denote the excess of the Net Assets acquired over the amount of consideration transferred in business combination transactions. These reserves shall not be utilised for payment of dividend.

General reserve/ retained earnings - General reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend and issue of fully paid-up and not paid-up bonus shares.

Other Equity

For the year ended March 31, 2024

₹ Lakhs

Particulars	Reserves & Surplus			Total Other Equity
	Share Premium	Capital Reserves	Retained Earning	
For the year ended March 31, 2024				
As at April 1, 2023	2,088.87	7,762.48	11,439.01	21,290.36
Adjustment during the year (refer note :35)	(205.00)			(205.00)
Profit for the year	-		4,635.02	4,635.02
Other Comprehensive Income/(loss)			(6.66)	(6.66)
As at March 31, 2023	1,883.87	7,762.48	16,067.38	25,713.72

For the year ended March 31, 2023

Particulars	Reserves & Surplus			Total Other Equity
	Share Premium (refer note 9(b))	Capital Reserves	Retained Earning	
As at April 1, 2022	2,088.87	7,762.48	7,409.07	17,260.42
Profit for the year			4,027.82	4,027.82
Other Comprehensive Income/(loss)			2.12	2.12
As at March 31, 2022	2,088.87	7,762.48	11,439.01	21,290.36



11 Trade Payables

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Dues of micro enterprises and small enterprises (refer below note)	398.04	1.51
Dues of other than micro enterprises and small enterprises	7,833.74	9,190.41
Total Payable	8,231.78	9,191.92

Dues to Micro and Small Enterprises Disclosure

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	31st March, 2024	31st March, 2023
(a) (i) Principal amount remaining unpaid to any supplier at the end of accounting year	398.04	1.51
(ii) Interest due on above	-	-
(b) Amount of interest paid by the buyer in terms of section 16 of the Act	-	0.24
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year)	-	-
(d) Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act, 2006	-	-

The information has been given in respect of such vendors to the extent they could be identified as 'Micro and Small Enterprises' on the basis of information available with the Company.

* Interest on overdue balances of micro and small enterprises is fully provided. Interest provided is unclaimed by the vendor.



Note : 11 (cont.)

₹ Lakhs

Trade Payables Ageing Schedule

Trade payables as on 31st March, 2024

Particulars	Outstanding for following periods from due dates of payments as at 31st March 2024					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Acceptance Undisputed	421.47					421.47
Dues to micro enterprises and small enterprises	398.04					398.04
Dues to creditors other than micro enterprises and small enterprises	4,286.87	2,683.94	161.49	81.06	198.91	7,412.27
	5,106.38	2,683.94	161.49	81.06	198.91	8,231.78
Disputed						
Dues to micro enterprises and small enterprises	-	-	-	-	-	-
Dues to creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	-	-	-	-	-	-
Total	5,106.38	2,683.94	161.49	81.06	198.91	8,231.78

Trade payables as on 31st March, 2023

Particulars	Outstanding for following periods from due dates of payments as at 31st March 2023					Total
	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Acceptance Undisputed	2.84					2.84
Dues to micro enterprises and small enterprises	-	1.47	0.03	0.01	-	1.51
Dues to creditors other than micro enterprises and small enterprises	5,590.63	3,189.59	201.57	14.92	190.85	9,187.57
	5,593.47	3,191.06	201.60	14.93	190.85	9,191.92
Disputed						
Dues to micro enterprises and small enterprises	-	-	-	-	-	-
Dues to creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	-	-	-	-	-	-
Total	5,593.47	3,191.06	201.60	14.93	190.85	9,191.92



Blue Star Engineering & Electronics Limited
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Notes to Financial Statements for the year ended 31st March 2024

12 Other Financial Liabilities

₹ Lakhs

Particulars	Non-current	
	31st March, 2024	31st March, 2023
Financial liabilities at amortized cost		
Payable on purchase of Property Plant & Equipment	2.02	-
Security deposits	255.95	255.14
Total other financial liabilities at amortized cost	257.97	255.14
Total	257.97	255.14

13 Other Liabilities

₹ Lakhs

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Contract liabilities from construction contracts	-	-	1,980.52	2,090.68
Contract liabilities from annual maintenance contract services	1,199.33	1,842.82	1,759.06	2,159.50
Advances from customers	-	-	2,110.64	3,132.40
Dues to Statutory bodies	-	-	587.78	228.08
Others	-	-	193.76	170.81
Total	1,199.33	1,842.82	6,631.76	7,781.47

Categorisation of financial liabilities :

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
Trade payables (refer note 11)	8,231.78	9,191.92
Other financial Liabilities (refer note 12)	257.97	255.14
Total financial liabilities carried at amortized cost	8,489.75	9,447.06



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Notes to Financial Statements for the year ended 31st March 2024
14 Provisions

Particulars	Non Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Provision for employee benefits (refer note 25)				
Provision for Gratuity	-	0.89	-	-
Provision for Compensated absences	-	-	120.78	113.20
Provision for Additional Gratuity	-	2.41	-	-
Total (A)	-	3.30	120.78	113.20
Other provisions				
Provision for warranties	-	-	943.06	758.63
Provision for foreseeable losses	-	-	58.74	93.97
Total (B)	-	-	1,001.80	852.60
Total (A+B)	-	3.30	1,122.58	965.80

Provision for warranties

Warranty is provided to the customer for a period of 12-60 months from the handing over of the project and on sale of traded goods. A provision is recognised for expected warranty claims comprising of claims for material, spares, labour and other items in connection with the sale/contract on jobs completed during provision periods and on warranty provided on sale of traded goods, based on past experience of such claims.

Movement in provision for warranty	31st March, 2024	31st March, 2023
Balance as at 1st April	758.63	458.44
Provision made during the year	545.58	363.56
Utilized /Adjusted during the year	(361.15)	(63.37)
Balance as at 31st March	943.06	758.63

Movement in provision for foreseeable losses	31st March, 2024	31st March, 2023
Balance as at 1st April	93.97	93.14
Provision made during the year		13.08
Utilized /Adjusted during the year	(35.23)	(12.24)
Balance as at 31st March	58.74	93.97



15. Income tax

A) Current tax asset / (liabilities)

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Opening Balance	(1,257.02)	(722.73)
Less: Current tax payable for the year	(1,642.46)	(1,477.08)
Add: Taxes paid (Net of refund)	1,035.73	942.79
Closing Balance	(1,863.75)	(1,257.02)

B) Deferred Tax Assets

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Deferred Tax Asset - [A]		
Provision for loss allowance	350.75	354.36
Provisions made disallowed and allowed only on payment basis	12.58	5.45
Written Down Value of Fixed Assets	5.44	-
Others	-	2.48
Deferred Tax Liability - [B]		
Written Down Value of Fixed Assets	-	(2.04)
Others	(4.31)	(2.40)
Net Deferred Tax Asset - [A-B]	364.46	357.85

C) Movement in Deferred Tax Assets

Particulars	Charge/ (Credit) to Statement of P&L	
	31st March, 2024	31st March, 2023
Deferred Tax Asset - [A]		
Provision for loss allowance	3.61	(47.83)
Provisions made disallowed and allowed only on payment basis	(7.13)	11.33
Written Down Value of Fixed Assets	(7.48)	23.03
Others	2.48	(2.48)
Deferred Tax Liability - [B]		
Written Down Value of Fixed Assets	-	2.04
Others	1.91	(0.87)
Net Deferred Tax Asset - [A-B]	(6.61)	(14.79)

D) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2024 and 31st March, 2023 :

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Accounting profit before income tax	6,273.12	5,489.40
Income tax at India's statutory income tax rate of 25.168% (31 March 2023: 25.168%)	1,578.82	1,381.57
Expenses disallowed for tax purpose	19.39	8.28
Benefit of lower tax rate on account of certain income/ exp.	12.21	(11.38)
Disallowance on depreciation of investment properties	27.68	83.10
At the effective income tax rate	1,638.10	1,461.57

E) Income tax expense reported in the statement of profit and loss

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Profit or loss Section		
Current Income tax:		
Current tax	1644.71	1476.37
Total current income tax charge	1644.71	1476.37
Deferred tax:		
Deferred tax credit/ charge recognised in the statement of profit and loss	(6.61)	(14.79)
Income tax expense reported in the statement of profit or loss	1,638.10	1,461.58

F) Income tax expense reported in the other comprehensive income

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Profit or loss Section		
Current Income tax:		
Current tax		
Remeasurement gain/(loss) on defined benefit plans	2.25	(0.71)
Income tax expense reported in the other comprehensive income	2.25	(0.71)



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Notes to Financial Statements for the year ended 31st March 2024

16. Revenue from operations

Particulars	₹ Lakhs	
	For the year ended	
	31st March, 2024	31st March, 2023
Revenue from operations		
Sale of products	31,264.91	28,369.35
Sale of services	5,295.12	5,188.54
Contract revenue	1,208.37	1,037.54
Rental income	341.78	391.59
Other operating revenue		
Sale of scrap	2.98	3.41
Commission income	1.10	1.80
Total revenue from operations (refer note 37)	38,114.26	34,992.23

17. Other income

Particulars	₹ Lakhs	
	For the year ended	
	31st March, 2024	31st March, 2023
Interest Income		
- Inter-Corporate deposit	1,083.02	879.19
- Tax refund	-	1.78
- Banks deposit	136.88	0.13
Net Translation gain on monetary assets/liabilities	8.08	32.95
Net gain on sale of investments in mutual fund	68.19	18.25
Provisions and liabilities no longer required, written back	186.83	122.40
Other Income	5.51	2.32
Total	1,488.51	1,057.02



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Notes to Financial Statements for the year ended 31st March 2024

18. Cost of Raw Material and Components Consumed

₹ Lakhs

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Cost of material consumed and project costs	3,148.97	3,711.26
Total cost of material consumed and project costs	3,148.97	3,711.26

Purchase of Stock in Trade	23,907.22	22,928.52
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<u>Inventories at the end of the year</u>		
Traded goods	4,942.36	3,939.77
	4,942.36	3,939.77
<u>Inventories at the beginning of the year</u>		
Traded goods	3,939.77	1,744.70
	3,939.77	1,744.70
Changes in Inventories of traded goods	(1,002.59)	(2,195.07)

19. Employee benefits expense

₹ Lakhs

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Salaries, wages and bonus	3,629.42	3,175.35
Contribution to provident and other funds	138.25	125.08
Gratuity expense (refer note 25)	36.19	33.66
Other employment benefits (refer note 25)	58.50	41.54
Staff welfare expenses	51.25	40.65
	3,913.61	3,416.28

20. Depreciation and amortization expenses

₹ Lakhs

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Depreciation on Property Plant & Equipment (refer note 3(a))	111.47	82.59
Amortization of Intangible Assets (refer note 3(c))	5.96	3.64
Depreciation on Investment Properties (refer note 3(b))	127.99	226.01
	245.42	312.24



21. Finance costs

₹ Lakhs

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Interest and finance charges on financial liabilities carried at amortised cost		
- Interest on Bank borrowings	13.37	29.37
Bank charges	49.76	48.43
Other Interest charges	13.32	4.95
	76.45	82.75

22. Other expenses

₹ Lakhs

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
Stores and spares consumed	0.73	0.61
Rent	307.44	251.40
Rates and taxes	44.38	57.40
Power and fuel	9.91	7.23
Insurance	20.81	34.03
Repairs and maintenance	37.58	18.25
Advertising and sales promotion	112.54	89.44
Conference Expenses	0.10	0.32
Communication Expenses	90.19	70.97
Commission, discounts and incentives on Sales	-	32.20
Freight and forwarding charges	307.34	149.27
Travelling and conveyance	976.38	710.67
Printing and stationery	25.15	14.82
Legal and professional fees	622.44	466.84
Directors sitting fees	11.25	3.00
Payment to auditors (Refer details A below)	29.14	29.45
Corporate social responsibility expenses (Refer details B below)	77.04	79.41
Loss on sale of property, plant, and equipment (net)	2.10	1.48
Bad debts / advances written off	100.57	-
Provision for doubtful debts and advances and expected credit loss (net)	(14.31)	91.58
Miscellaneous expenses	147.79	63.50
Share Service charges (refer note 26)	132.00	132.00
	3,040.57	2,303.87

A. Payment to auditors

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
As auditor:		
Audit fee	18.61	17.50
Limited review	6.70	6.25
Tax audit	2.70	2.40
In other capacity		
Reimbursement of expenses	1.13	3.30
	29.14	29.45

B Corporate social responsibility expenses

₹ Lakhs

Particulars	31st March, 2024	31st March, 2023
i) Amount required to be spent by the company during the year	77.04	79.41
ii) Amount of expenditure incurred	77.04	79.41
iii) Shortfall/ (Excess) during the end of the year	-	-
iv) Total of previous year shortfall / excess	-	-
v) Reason for shortfall	-	-
vi) Nature of CSR activities	Diagnostic support programme	Diagnostic support programme
vii) Details of related parties	₹ 20.04 Lakh Paid to Blue Star Foundation	NA
viii) Where a provision made with respect to a liability by entering into a contractual obligation, the movement in the provision during the year shown separately	NA	NA

C The Company has made political contribution of ₹ Nil during FY 23-24 (FY 22-23 ₹ Nil).

23. Earning Per Share (EPS)

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

Particulars	31st March, 2024	31st March, 2023
Profit attributable to equity share holders of the company	4,635.02	4,027.82
Weighted average number of Equity shares	5,29,25,052	5,29,25,052
Basic and diluted earnings per share	8.76	7.61



24 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgments, estimates and associated assumptions are evaluated based on the Company's historical experience, existing market conditions, as well as forward looking estimates including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Expected cost of completion of contracts

For the purpose of arriving at Revenue from construction contracts, the Company's Management estimates the cost to completion for each project. Management systematically reviews future projected costs and compares the aggregate of costs incurred to date and future cost projections against budgets, based on which, proportionate revenue (or anticipated losses), if any, are recognised.

Contract variations

Contract variations are recognised as revenue to the extent that it is probable that they will result in revenue which can be reliably measured and is probable that the economic benefits associated will flow to the Company. This requires the exercise of judgement by management, based on prior experience, the contract terms, manner and terms of settlement, etc.

Rebates and discounts

The Company provides rebates and discounts to its dealers and channel partners based on an expectation of volumes to be achieved and parameters such as exclusivity in marketing the products of the Company, quality of showroom among other parameters. This involves a certain degree of estimation of whether all the parameters to provide discounts have been achieved. Provision for discount and rebates is based on the Company's past experience of volumes achieved vis-à-vis targets and expected volumes to be achieved for the year.

Warranties

Provision for warranty costs in respect of products sold which are still under warranty is based on the best estimate of the expenditure that will be required to settle the present obligation at the end of the reporting period. Warranty costs are estimated by the management based on specific warranties, claims and claim history. Provision is made for estimated liability in respect of warranty cost in the year of sale of goods.

Employee benefit plans

The present value of defined benefit obligations is determined on an actuarial basis using a number of underlying assumptions, including the discount rate and expected increase in salary costs. Any changes in these assumptions will impact the carrying amount of obligations.

Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. The lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the Management.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provision for financial assets (other than trade receivables) are based on assumptions of risk of default and expected loss rates. The Company makes judgements about these assumptions for selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

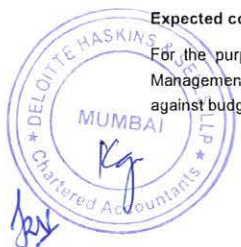
Trade receivables are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts which are based on the aging of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

Income taxes and Deferred taxes

Provision of current and deferred tax liabilities is dependent on Management estimate of the allowability or otherwise of expenses incurred and other debits to profit or loss. Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Significant judgements are also involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the probable outcome of the uncertain tax positions management considers the expert advice, past pronouncements, judgements on the matter under litigation, changes in regulations and related interpretations and accordingly, determines the amount of requisite tax provisions and / or contingent liability disclosures, as applicable. The actual outcome of the uncertain tax positions could be different than those estimated by the management.

Expected cost of completion of projects / Long term service contracts

For the purpose of arriving at Revenue from projects, the Company's Management estimates the cost to completion for each project. Management systematically reviews future projected costs and compares the aggregate of costs incurred to date and future costs projections against budgets, on the basis of which, proportionate revenue (or anticipated losses), if any, are recognized.



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Notes to Financial Statements for the year ended 31st March 2024

25 Employee benefits disclosure

I. Defined benefit plans

a. Gratuity

The company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The fund formed by the Parent Company manages the investments of the Gratuity fund. The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company contributes all ascertained liabilities to the Gratuity Fund Trust (the Trust).

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and Losses, through remeasurements of the net defined benefit liability (asset) are recognised in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. The effect of any plan amendments are recognised in net profit in the profit or loss.

Expected rate of return on investments is determined based on the assessment made by the Company at the beginning of the year on the return expected on its existing portfolio, along with the estimated incremental investments to be made during the year. Yield on portfolio is calculated on a suitable mark-up over the benchmark Government securities of similar maturities. The Company expects to contribute ₹ 30.82 lakhs in Gratuity Fund FY 2024-25 (FY 2023-24: 16.01 lakhs)

Disclosure information :

(i) Change in present value of defined benefit obligation:

₹ Lakhs

Particulars	Gratuity (Funded)		Additional Gratuity	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Defined benefit obligations at the beginning of the year	319.88	315.07	2.41	2.66
Current service cost	35.81	34.50	0.13	0.14
Interest expense	23.56	20.78	0.18	0.18
Benefits paid	(112.51)	(47.91)	(0.80)	(0.30)
Remeasurements				
a. Due to change in demographic assumptions				
a. Due to change in financial assumptions	3.15	(12.80)	0.02	(0.10)
b. Due to experience adjustments	5.62	10.24	0.11	(0.17)
Defined benefit obligation at the end of the year	275.51	319.88	2.05	2.41



(ii) Change in fair value of plan assets

₹ Lakhs

Particulars	Gratuity (Funded)		Additional Gratuity	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Fair Value of the plan asset at the beginning of the year	318.99	332.71	-	-
Return on plan assets (Interest income)	23.50	21.95	-	-
Contributions	55.00	12.25	-	-
Benefit paid	(112.51)	(47.92)	-	-
Fair value of plan assets at end of the year	284.98	318.99	-	-

(iii) Components of defined benefit cost recognised in statement of profit & loss (P&L)

₹ Lakhs

Particulars	Gratuity (Funded)		Additional Gratuity	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Current service cost	35.81	34.50	0.13	0.14
Interest cost	-	-	0.18	0.18
Expected return on plan asset	0.07	(1.16)	-	-
Total	35.88	33.34	0.31	0.32

(iv) Components of defined benefit costs recognized in other comprehensive income (OCI)

₹ Lakhs

Particulars	Gratuity (Funded)		Additional Gratuity	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
a. Due to change in demographic assumptions	-	-	-	-
a. Due to change in financial assumptions	3.15	(12.80)	0.02	(0.10)
b. Due to change in experience adjustments	5.62	10.24	0.11	(0.17)
c. (Return) on plan assets (excl. interest income)	-	-	-	-
Total	8.77	(2.56)	0.13	(0.27)
Total defined benefit cost recognized in P&L and OCI	44.65	30.78	0.45	0.05

(v) Net liability / (asset) in Balance Sheet

₹ Lakhs

Particulars	Gratuity (Funded)		Additional Gratuity	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Present value of Defined benefit obligation	275.51	319.88	2.05	2.41
Fair value of plan assets	284.98	318.99	0.00	-
Net liability / (asset)	(9.47)	0.89	2.05	2.41



(vi) Net defined benefit liability / (asset) reconciliation

₹ Lakhs

Particulars	Gratuity (Funded)		Additional Gratuity	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Net defined benefit liability (asset) at the beginning of the year	0.89	(17.64)	2.41	2.66
Defined benefit cost recognised in P&L	35.88	33.34	0.31	0.32
Total remeasurements recognised in OCI	8.77	(2.56)	0.13	(0.27)
Employer contributions	(55.00)	(12.25)	-	-
Employer direct benefit payments	-	-	-	(0.30)
Net defined benefit liability / (asset) as of end of the year	(9.46)	0.89	2.85	2.41

The major categories of plan assets are as follows:

Particulars	31st March, 2024	31st March, 2023
Insurance company products	227.98	255.18
Others	57.00	63.80
Total	284.98	318.98

The Principal assumptions used in determining gratuity and additional gratuity for the company's plan are shown as below:

Particulars	Gratuity (Funded) / Additional Gratuity	
	31st March, 2024	31st March, 2023
Discount rate	7.15%	7.35%
Rate of return on plan assets	7.37%	6.60%
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Salary escalation rate Directors ,management-staff, others	10%,7%,3%	10%,7%,3%
Attrition rate	11%	11%
Disability rate	5% of mortality rate	5% of mortality rate
Normal retirement age	65 Years for Directors	65 Years for Directors
	60 Years for Others	60 Years for Others



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Notes to Financial Statements for the year ended 31st March 2024**Risk analysis**

Interest Rate risk: The plan exposes the Company to the risk of all interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate

Investment Risk : The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

A quantitative sensitivity analysis for significant assumptions as at March 31, 2024 is shown as below:

Particulars Assumptions	Gratuity (Funded)		Additional Gratuity	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Decrease in discount rate (0.5%)	283.71	328.30	2.12	2.47
Increase in discount rate (0.5%)	267.74	311.86	1.99	2.33
Decrease in Salary growth rate (0.5%)	267.69	311.80		-
Increase in Salary growth rate (0.5%)	283.69	328.29		-
Decrease in attrition rate (0.5%)	279.05	320.36	1.95	2.26
Increase in attrition rate (0.5%)	271.98	318.77	2.07	2.45
Decrease in mortality rate (0.5%)	275.50	319.86	2.05	2.40
Increase in mortality rate (0.5%)	275.52	319.89	2.06	2.41

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year 2023-24

The average duration of the defined benefit plan obligation at the end of the reporting year 2023-24 is 5 years.

I. General description of significant defined plans:**1. Gratuity plan**

Gratuity is payable to all eligible employees on separation /retirement based on 15 days last drawn salary for each completed years of service after continuous service for 5 years.

2. Additional gratuity

Additional gratuity is payable as per the specific rules of the Company i.e ₹ 5,000/- for staff and ₹10,000/- for Managers subject to qualifying service for 15 years.



Blue Star Engineering & Electronics Limited

CIN No : U70200MH2010PLC204612

Notes to Financial Statements for the year ended 31st March 2024

Maturity profile of defined benefit obligation

Expected cash flows	Gratuity (funded)	₹ Lakhs	
		Gratuity (funded)	Additional Gratuity
1 year	30.75		0.24
2 to 5 year	176.83		1.10
6 to 10 year	103.29		0.95
More than 10 year	145.62		1.23
Total	456.49		3.52

II. Defined contribution plans

a. Provident fund

The Company's contribution to provident fund and other funds aggregating during the period ended 31st March, 2024 is ₹ 138.25 lakhs (and during the year ended March 31, 2023: ₹ 125.08 lakhs) has been recognised in the statement of profit and loss under the head employee benefit expense (refer note 19).

b. Compensated Absence Plan

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation at the rate of daily salary, as per current accumulation of leave days.

Amount recognized in Balance Sheet

Particulars	Compensated absences as at	
	31st March, 2024	31st March, 2023
Amount recognised in Balance Sheet	120.78	113.20

Amount recognized in Profit and Loss

Particulars	Compensated absences for the year ended	
	31st March, 2024	31st March, 2023
Amount recognised in Profit and loss	58.50	41.54



a) Name of the Related parties where control exists irrespective of whether transactions have occurred or not.

Related parties where controls exists- Parent Company
 Blue Star Limited

Fellow Subsidiary with whom transactions are done
 Blue Star Climatech Ltd
 Blue Star Foundation
 Blue Star Systems and Solutions LLC

Key Management Personnel
 Mr. Vir Advani, Chairman
 Mr. B Thiagarajan, Director
 Mr. Nikhil Ramakrishna Sohoni, Director
 Mr. Prem Kalliat, Chief Executive Officer
 Mr. Arvind Balaji, Non-Executive and Independent Director
 Mr. Vikram Nirula, Non-Executive and Independent Director
 Mrs. Sunaina Murthy, Non-Executive and Independent Director

Particulars	For the year ended	
	31st March, 2024	31st March, 2023
b) Transactions with related parties		
Blue Star Limited		
Income:		
Contract Revenue	113.30	604.79
Sale of Products	0.17	48.70
Rent income	341.78	327.24
Expenses:		
Purchase of Stock -in -trade	11.01	10.41
Shared Service charges	132.00	132.00
Reimbursement of Expenses	8.87	24.21
Blue Star Foundation		
CSR Payment	20.04	-
Blue Star Systems and Solutions LLC		
Reimbursement of Expenses	38.00	-
Blue Star Climatech		
Income:		
Sale of Products	-	24.58
c) Outstanding balances		
Blue Star Limited		
Balance due -Receivable/(payable)		
Trade Receivables	10.62	199.49
Security Deposit	(255.95)	(255.95)
Blue Star Climatech Limited		
Balance due -Receivable/(payable)		
Trade Receivables	-	6.88
d) Key Management personnel compensation		
Short term employee benefits		
Remuneration Paid / Payable (including commission)		
Prem Kalliat	273.83	258.93
Yogesh Joshi	74.80	73.65
Sitting fees to Non-Executive and Independent Director		
Arvind Balaji	3.75	2.25
Vikram Nirula	4.50	0.75
Sunaina Murthy	3.00	-
Commission to Non-Executive and Independent Director		
Arvind Balaji	9.42	4.12
Vikram Nirula	9.42	4.12
Sunaina Murthy	9.42	-
e) Loans to related parties		
Blue Star Limited		
Beginning of the year	12,000.00	16,000.00
Loans advanced	8,500.00	12,000.00
Loan repayment received	(12,000.00)	(16,000.00)
Interest charged	810.58	839.94
Interest received	(810.58)	(839.94)
End of the year	8,500.00	12,000.00
Blue Star Climatech		
Beginning of the year	3,500.00	-
Loans advanced	3,500.00	3,500.00
Loan repayment received	(3,500.00)	-
Interest charged	272.34	39.24
Interest received	(272.34)	(39.24)
End of the year	3,500.00	3,500.00
Prem Kalliat		
Beginning of the year	13.56	14.89
Loan Recovery	(1.33)	(1.33)
End of the year	12.23	13.56
Yogesh Joshi		
Beginning of the year	3.44	4.35
Loan Recovery	(0.33)	(0.91)
End of the year	3.11	3.44
Note: 1) Above all amount are base amount excluding taxes 2) As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the Directors are not included above.		



27. Derivative Instruments and attached foreign currency exposure

The Company has a well-defined forex risk management policy which ensures proactive and regular monitoring and managing of foreign exchange exposures. Financial risks relating to changes in exchange rates are hedged by forward and options contracts. The hedging strategy is used towards managing currency fluctuation risk and the Company does not use foreign exchange forward and options contract for trading or speculative purposes. Forward and options contract are fair valued at each reporting date. The resultant gain or loss of forward and option contract is recognised in the Statement of Profit and Loss. Commodity risk is mitigated by entering into annual rate contracts with major suppliers which is factored in pricing decisions. This approach provides sufficient mitigation against volatility in commodity rates

a) Derivative Instruments: Forward contract outstanding as at Balance Sheet date

There are no forward / option contract outstanding as on 31st march 2024. (31st march 2023 : Nil)

b) Particulars of Un-hedged foreign Currency Exposure as at the Balance Sheet date

Particulars Foreign Currency	As at 31st March, 2024		As at 31st March, 2023	
	Amount in Foreign Currency in Lakh	₹ Lakhs	Amount in Foreign Currency in Lakh	₹ Lakhs
Bank balances				
AED	0.03	1.00	0.00	0.02
EUR	0.58	52.00	0.99	88.63
CAD	0.00	-	0.00	0.25
USD	9.74	812.00	25.12	2,064.08
Receivables				
AED	0.43	9.78	0.43	9.55
CAD	0.07	4.17	0.04	2.60
EUR	2.27	204.11	12.96	1,159.36
GBP	0.08	7.98	0.38	38.73
JPY	22.22	12.24	22.22	13.69
USD	14.30	1,192.47	24.26	1,993.62
Payables				
AED	0.49	11.04	0.49	10.88
CAD	0.00	0.20	0.05	2.75
EUR	0.92	83.01	9.08	812.37
GBP	0.77	80.79	0.05	4.93
JPY	113.05	62.26	88.26	54.37
MYR	0.03	0.57	0.03	0.60
USD	14.23	1,187.16	28.40	2,333.87
CHF			0.55	48.90

* Represents value less than 50,000
 The un-hedged foreign currency exposures have been given in respect of currencies other than functional currency of the company

28. Financial Instruments

Particulars	As at March 31, 2024				As at March 31, 2023			
	FVTPL	Amortised Cost	Total Carrying value	Total Fair value	FVTPL	Amortised Cost	Total Carrying value	Total Fair value
Financial Assets								
Investments (refer note 6)	3,002.12		3,002.12	3,002.12	1,013.33		1,013.33	1,013.33
Trade receivables (refer note 7)		8,723.05	8,723.05	8,723.05		8,280.30	8,280.30	8,280.30
Cash & bank balances (refer note 8)		5,487.69	5,487.69	5,487.69		2,727.82	2,727.82	2,727.82
Loans (refer note 4a)		12,062.55	12,062.55	12,062.55		15,573.34	15,573.34	15,573.34
Other financial assets (refer note 4b)		114.45	114.45	114.45		127.77	127.77	127.77
	3,002.12	26,387.74	29,389.86	29,389.86	1,013.33	26,709.23	27,722.56	27,722.56
Financial Liabilities								
Trade payables (refer note 11)		8,231.78	8,231.78	8,231.78		9,191.92	9,191.92	9,191.92
Other financial liabilities (refer note 12)		257.97	257.97	257.97		255.14	255.14	255.14
	-	8,489.75	8,489.75	8,489.75	-	9,447.06	9,447.06	9,447.06

Management has assessed that Cash and cash equivalents, Other balances with banks, Loans, Trade receivables, Other financial assets, Trade payables, Borrowings, Lease liabilities and Other financial liabilities carried at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

29. Fair value hierarchy

Quantitative disclosures fair value measurement hierarchy as at 31st March 2024

Particulars	Date of Valuation	Total	Unquoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant Un observable inputs (Level 3)
Assets for which fair values are disclosed:					
Investment property (refer note 3b)	March 31, 2024	7,336.05	-	-	7,336.05
Assets measured at fair value					
Investment in mutual fund (refer note 6)	March 31, 2024	3,002.12	-	3,002.12	-
Assets for which fair values are disclosed:					
Investment property (refer note 3b)	March 31, 2023	7,109.72	-	-	7,109.72
Assets measured at fair value					
Investment in mutual fund (refer note 6)	March 31, 2023	1,013.33	-	1,013.33	-

There have been no transfers between Level 1, Level 2 and Level 3 during the year

Valuation technique and key inputs used to determine fair value:

- Level - 2:
Mutual Fund - quoted price in the active market
- Level - 3:
Investment Property - Based on valuation report of independent valuer



30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of short tenured borrowings, trade and other payables and financial guarantee contracts. Most of these liabilities relate to financing Company's working capital cycle. The Company has trade and other receivables, loans and advances that arise directly from its operations. The Company also enters into hedging transactions to cover foreign exchange exposure risk.

The Company is accordingly exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and overall risk appetite. All foreign currency hedging activities for risk management purposes are carried out by a specialist treasury team that have the appropriate skills, experience and supervision. In addition, independent views from bankers and currency market experts are obtained periodically to validate risk mitigation decisions. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Board of Directors review and agree policies for managing each of these risks which are summarised below:

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise currency rate risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, deposits, advances and derivative financial instruments.

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rate movement.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily US Dollars. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. The Company may use forward contracts or foreign exchange options towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirement and risk management strategy of the company.

Foreign currency sensitivity

The following table demonstrates the sensitivity in the USD, Euro and other currencies to the functional currency of the Company, with all other variables held constant.

The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

Particulars	Change in currency exchange rate	Effect on profit before tax	
		For the Year Ended March 31, 2024	For the Year Ended March 31, 2023
US Dollars	+5%	9.80	86.19
	-5%	(9.80)	(86.19)
Euro	+5%	1.93	21.78
	-5%	(1.93)	(21.78)
CAD	+5%	0.07	-
	-5%	(0.07)	-
JPY	+5%	(90.83)	2.03
	-5%	90.83	(2.03)
AED	+5%	(0.02)	0.07
	-5%	0.02	(0.07)
MYR	+5%	(0.03)	0.03
	-5%	0.03	(0.03)
CHF	+5%		2.45
	-5%		(2.45)
GBP	+5%	(0.69)	1.69
	-5%	0.69	(1.69)



Credit risk

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

1. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term in line with respective industry norms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically. (refer note 6 for detailed ageing)

2. Financial instruments and cash deposits

Credit risk from balances with banks and mutual funds is managed by Company's treasury in accordance with the Board approved policy. Investments of surplus funds, temporarily, are made only with approved counterparties, mainly bank fixed deposits and mutual funds, who meet the minimum threshold requirements under the counterparty risk assessment process.

Liquidity risk

Liquidity risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic and international capital markets across various debt and hybrid instruments

The table below summarise the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

Particulars	31st March, 2024			31st March, 2023		
	Less than 1 year	More than 1 year	Total	Less than 1 year	More than 1 year	Total
Trade Payables	8,231.78	-	8,231.78	9,191.92	-	9,191.92
Other financial liabilities	-	257.97	257.97	-	255.14	255.14

₹ Lakhs

31. Capital management

Capital includes equity attributable to the equity holders of the company and net debt.

Primary objective of Company's capital management is to ensure that it maintains an optimum financing structure and healthy returns in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments, in light of the changes in economic conditions or business requirements.

32. Disclosure u/s 186(4) of the companies Act, 2013

During the year the Company has placed Inter Corporate Deposits (ICD) with holding company Blue Star Limited & fellow subsidiary company Blue star Climatch Ltd aggregating to Rs 8,500 Lakh and Rs 3,500 Lakh for financing the working capital requirements and capex requirements of the business respectively



33 Contingent liabilities

Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums/authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognized in the financial statements.
 The Company's pending litigations comprise of proceedings pending with tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Claims against the company not acknowledged as debts	125.00	-
VAT matters	122.16	122.16
GST matters	23.29	-
Income tax matters	1,786.00	1,786.00
Total	2,056.45	1,908.16

34 Commitments

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).	90.50	-

35 During the year, the Company has received notice from Stamp Duty Collector Office for non payment of stamp duty amounting to ₹ 994 lakhs for business purchase transaction of D S Gupta Construction Private Limited carried out during FY 2010-11. On the basis of legal opinion obtained the Company has made application for Amnesty scheme in the month of February 2024 and provided ₹ 205 lakhs.

As per terms laid down in the said scheme Basis Scheme approved by the Honorable High Court in 2010 -11 such payment of stamp duty is adjusted in Securities premium account in accordance with the Scheme of Arrangement between Blue Star Electro Mechanical Limited (the Company) and its Shareholders & Creditors duly approved by the Honble High Court of Judicature at Bombay vide its order dated March 2011.

36 Segment information : The Company is mainly into distribution and maintenance of imported professional electronics and industrial systems. Accordingly, there are no separate reportable segments as per Ind AS - 108 on 'Operating Segment' and no further disclosures are required.

37 Disclosure in connection with revenue from contracts with customers

(a) Disaggregation of revenue

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2024 by offerings and contract-type. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors:

Revenue by segment type	Year ended 31st March, 2024			Year ended 31st March, 2023		
	Over time	At a point in time	Total	Over time	At a point in time	Total
	₹ Lakhs					
Professional electronics and industrial systems	5,304.15	32,810.11	38,114.26	5,188.91	29,803.32	34,992.23
Total	5,304.15	32,810.11	38,114.26	5,188.91	29,803.32	34,992.23

(b) Reconciliation of contracted price with the revenue recognized in profit or loss

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Sale of products at transaction price	31,264.91	28,389.35
Less: Reduction towards variable consideration components	-	-
Revenue recognised on sale of products	31,264.91	28,389.35

There are no variable consideration in contract price of project revenue.

(c) Revenue reconciliation for the year

Particulars	₹ Lakhs	
	31st March, 2024	31st March, 2023
Opening balance- contract assets (net of impairment)	500.78	262.84
Opening balance contract liabilities*	(6,093.00)	(5,053.98)
Revenue recognised during the year	5,304.15	5,188.91
Less: Progress billing during the year	(4,221.77)	(5,188.91)
Closing balance	(4,509.84)	(4,791.14)
Closing balance contract assets (net of impairment)	429.06	500.78
Closing balance contract liabilities including income received in advance	(4,938.91)	(6,093.00)
*The Company has recognised revenue out of opening contract liabilities	(3,735.89)	(5,053.98)



Blue Star Engineering & Electronics Limited

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Notes to Financial Statements for the year ended 31st March 2024

38. Analytical Ratio

Particulars	Definition	31st March, 2024	31st March, 2023	% Variance	Reason for variance
Current ratio	Current assets / Current liabilities	2.16	1.93	12%	Below threshold of 25%
Return on Equity Ratio	Net profit after tax / average shareholders equity X 100	19%	20%	-5%	Below threshold of 25%
Inventory turnover Ratio(No.of days)	Cost of goods sold for the year / average inventory for the year	5.87	8.60	-32%	Holding period of service inventory has increased
Trade receivables turnover ratio (No. of days)	Revenue from operation for the year / average debtors for the year	4.48	5.22	-14%	Below threshold of 25%
Trade payables turnover ratio (No.of days)	Cost of goods sold for the year /average creditors for the year	3.34	3.43	-3%	Below threshold of 25%
Net capital turnover ratio (In times)	Revenue from operation / working capital	1.84	1.96	-6%	Below threshold of 25%
Net profit ratio	Prctit/(Loss) for the year / Total Revenue from operation X 100	12%	12%	6%	Below threshold of 25%
Return on capital employed	(Profit before tax+ finance charge) / capital employed	24%	25%	-5%	Below threshold of 25%
Return on investment					
Return on mutual fund	Income from investment / cost of investment X 100	3%	4%	-6%	Below threshold of 25%
Return on Fixed deposit	Income from investment / cost of investment X 100	6%	1%	432%	Due to investment made in current year

Note :

- 1.) Debt Service Coverage Ratio (DSCR), Debt-Equity ratio are not applicable due to no long term loan repayment made during the year & no outstanding loan as on 31st march 2024
- 2.) Schedule III require explanation where the change in ratio is more than 25% as compared to the preceding year. Accordingly explanation is given only for the said ratio.



39. Leases

Operating lease : company as a lessee

The Company has entered into operating lease agreements for storage locations . Lease rental expenses debited to Statement of Profit & Loss under rent charges ₹ 307.44 Lakhs (31st March 2023: ₹ 251.40 Lakhs).

Operating lease : company as a lessor

The Company has entered into operating lease agreements. . Lease rental income credited to Statement of Profit and Loss is ₹ 341.78 Lakhs (31st March 2023 : ₹ 391.59 Lakhs).

40. Code on social security

The Code on Social Security, 2020 ('the Code') received presidential assent on September 28, 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code on its books of account in the period(s) in which the provisions of the Code becomes effective

41. Other statutory information

(i) The company neither holds any benami property nor any proceedings have been initiated or pending against the copmpany for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company do not have any transactions with companies struck off under companies act 2013 or company act 1956.

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

(iv) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as,search or survey or any other relevant provisions of the income Tax Act, 1961.

(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

(ix) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

42. Previous Year Comparatives

Corresponding figures for the immediately preceding period are disclosed in the financial statements. Previous years' figures have been recompanied where necessary to confirm to this year's classification.

For and on behalf of the Board of Directors of
Blue Star Engineering & Electronics Limited

Vir S Advani
Chairman
Din: 01571278

Nikhil Sohoni
Director
Din: 06852639

Prem Kalliath
CEO & Director
Din: 07249861

Yogesh Joshi
CFO & Company Secretary

Place : Mumbai
Date: April 23, 2024

