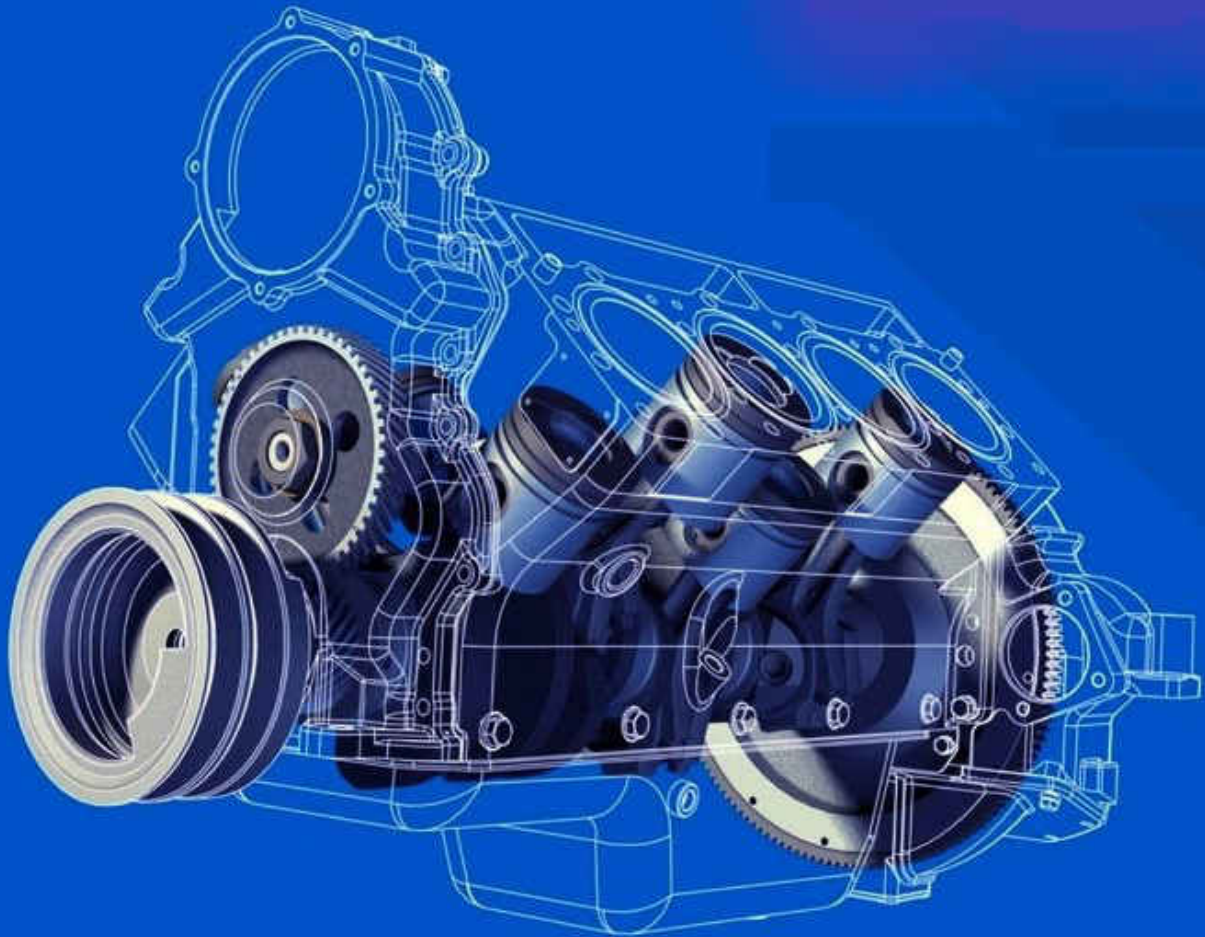




a **revolution** in accuracy...  
driven by perfection!!



**26<sup>th</sup>**

**ANNUAL REPORT 2020-21**

**KRANTI INDUSTRIES LIMITED**

Gat No 267/B/1, At Post Pirangut, Taluka- Mulshi , District- Pune -412 115

CIN : L29299PN1995PLC095016 Tel No: 020- 66755676,

Email : [investor@krantiindustries.com](mailto:investor@krantiindustries.com), Web : [www.krantiindustries.com](http://www.krantiindustries.com)

**Founder :**



**Late Shri. Subhash Kundanmal Vora**  
**(1955–2011)**

*“ Work hard with Honesty & Commitment,  
Growth will follows... ”*

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# Enduring Sustainability

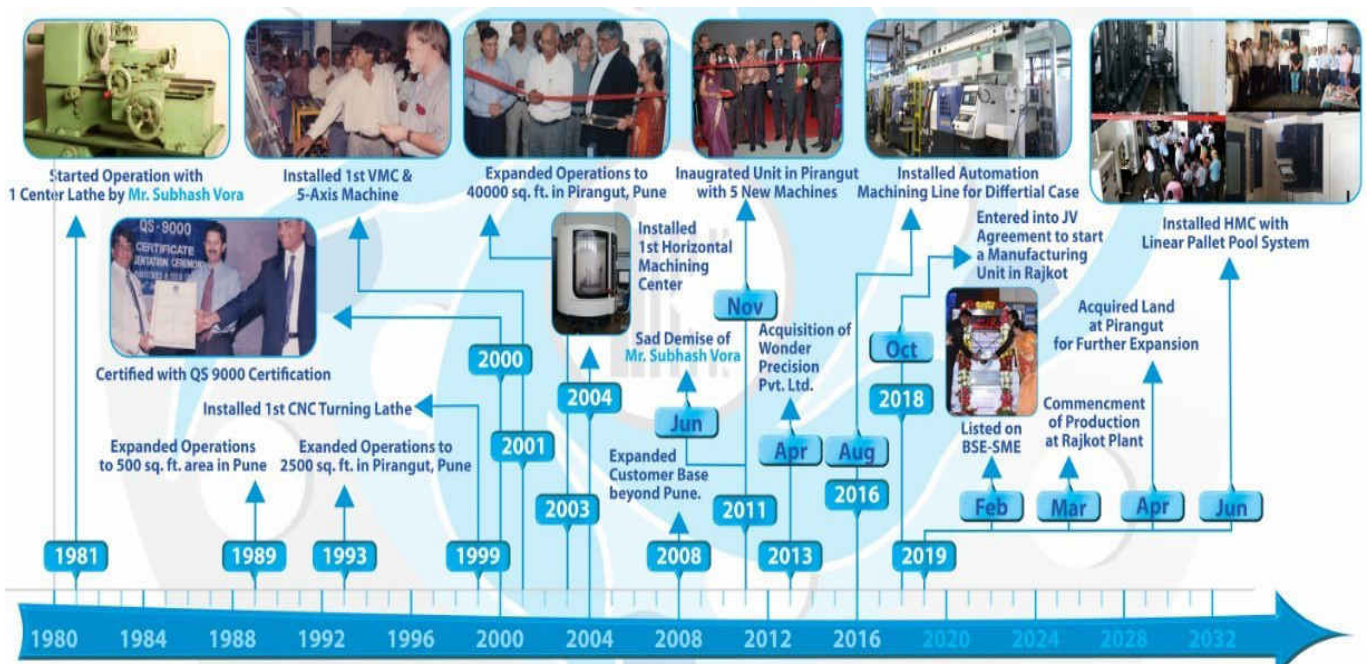
*A business that can play on its strengths and overcome hurdles, not just once but continually, winning increasingly greater trust along the way, is one that has endured sustainability.*

At KRANTI, we have proved worthy of our name yet again in a year that presented many challenges for the world, and for India. We faced these challenges, and used them to fire up our innovation, finding new ways to create value. Our strategy, execution, and agility speak for themselves – we finished the year with a performance better than previous year.

We have achieved this success by working extremely hard to sharpen our competitive edge on all fronts: operational efficiency; optimal use of assets; wider product range; manufacturing excellence; customer base diversification; quality upgrade and improved customer service. Our internal resilience, designed to withstand external shocks, is based on cutting-edge technology; world-class facilities; and a proven reputation for reliability that has made us a preferred end-to-end solution provider for top original equipment manufacturers.

The mindset and process of “**first time right**” are embedded in our Company culture, ensuring timeliness and cost savings for all stakeholders.

*“We shall endure and grow our business sustainably.”*



# ABOUT THE REPORT

Year after year, KRANTI has worked to develop its reporting processes in order to produce more detailed and consistent results. This report has been published with a view of providing all our investors and stakeholders with a balanced and transparent disclosure of all our goals, targets and material issues.

This report has been prepared with the view of illustrating our commitments and focus areas. This edition of our Annual Report continues to provide a quantitative and qualitative disclosure, in a clear and concise manner, stating how our leadership and business strategy are aligned towards monitoring and mitigating our potential risks to create sustainable growth. This report also includes information on our governance, financial, and non-financial performance.



Suggestions and feedback

We continuously strive to disclose relevant information to our valued stakeholders. We welcome you to share your views / suggestions / feedback on the report at : [investor@krantiindustries.com](mailto:investor@krantiindustries.com)

## Scope and Boundary:

This Annual report covers the period from 01<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021. The report details the information of our manufacturing facilities, employee and customer data.

## Assurance for FY 2020-21 :

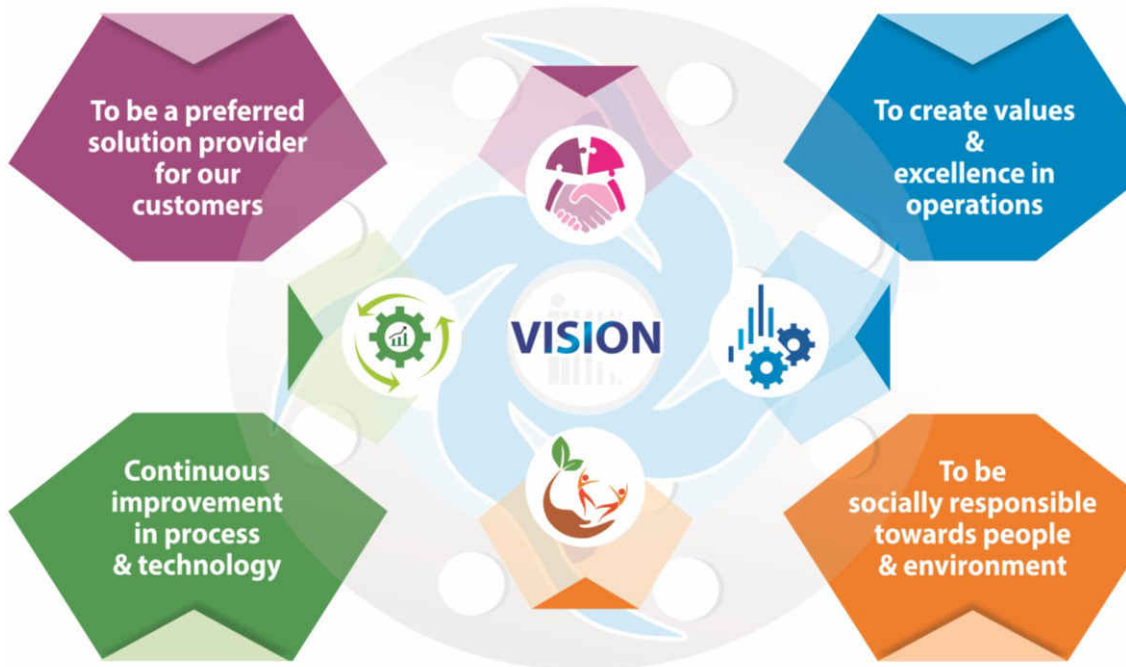
The assurance for Financial Statements in this report are been provided by independent auditors M/s ADV & Associates, Mumbai and the Non-financial statements are prepared by the company itself.

In accordance with the Companies Act, 2013 (including the rules made thereunder), the Board of Directors of KRANTI approved the appointment of Mr. Harsheet J Patel, representing M/s H J Patel & Co., Practicing Company Secretary, Pune as the Secretarial Auditor

**Forward Looking Statements :** *Certain statements in this AR regarding our business operations may constitute forward-looking statements that pertain to risks and uncertainties. When used in this context, the words “anticipate”, “believe”, “estimate”, “intend”, “will”, and “expected” and other similar expressions as they relate to the Company or its businesses are intended to identify such forward-looking statements, whether as a result of new information, future events, or otherwise. The actual results, performances or achievements, and risks and opportunities could differ materially from those expressed or implied in such forward-looking statements. The important factors that might make a difference to the Company’s operations include economic conditions affecting demand-supply and price conditions in the domestic and overseas markets, raw material prices, changes in governmental regulations, labour negotiations, tax laws, and other statutes, economic development within India and the countries within which the Company conducts its businesses and other incidental factors such as the repercussions of a global pandemic that the world witnessed throughout a major portion of FY 2020-21. The Company undertakes no obligation to publicly amend, modify or revise any forward-looking statements on the basis, of any subsequent developments, information, or events.*

# Understanding KRANTI .....

We are a multi-product and advanced auto component manufacturer, driven by new products and technology. We have “State of Art” Machine Shop. We are an end-to-end solutions provider offering precision machined castings for Transmission, axles, chassis, engines and other parts for Automotive Industry.







Driven by legacy of the visionary leadership of our Founder **Late Shri Subhash K. Vora**, we strategically focus on increasing our capacity, maximizing efficiency, and incorporating sustainability into our day-to-day processes. At KRANTI, we uphold the firm belief that businesses have the ability to thrive, even during troubled times if we leverage our innovation capabilities, technological leadership, providing sustainable business solutions and focus on creating long-term value for our stakeholders. As a result, we are taking initiatives to achieve our goal and vision, and in the process, we have attempted to make a positive difference in every life we have reached.



As a responsible organization, we have instilled our core values, namely Respect, Trust, Ownership and Integrated Teamwork into each of our employees. This has enabled them to show regards for another person, inspire confidence in each other, take responsibility for their actions and decisions and work towards the larger group objectives.

# Company Profile

Established in 1981, **KRANTI** Industries Ltd. is a leading precision machining company with presence in Auto ancillary and allied sectors. Company founded by Late Shri Subhash Vora, started its activity of Job Work for Diesel Engine parts with a small center lathe. Slowly and steadily, the company's concrete endeavors drove it to be a distinct precision machined component supplier offering Oil Engine & Tractor Components, and serving industries including Construction, Electric Vehicle, etc. Today, the Company has pulled in world renowned machining centers like Multi Axis Machining Centers, CNC Turning, Vertical Turret Lathes, Horizontal Machining Centers and Vertical Machining Centers.

With close to four decades of experience in precision machining, currently KRANTI has successfully placed the cornerstones of three units across Pune and a joint venture at Rajkot.

In our efforts to stay ahead of the competition, we create value even amidst challenging times by constantly investing in manufacturing, and technological excellence.

Starting as a small machining unit, the Company has expanded its horizons to around 7,000 Sq. Mtrs. backed by state-of-art infrastructure. The Company stands tall in being a single source supplier to most of the world-renowned OEMs in its respective industries.

Today, '**KRANTI**' is all about "**Revolution**" and so was the belief of the **Founder & Chief Promoter - Late Shri Subhash Vora**. The Company has reached the epitome of success by embracing tech-enabled advancements and consistent upgradation. These ahead-of-time investments have paved the pathway for **KRANTI** Industries to unlock newer opportunities and surpass every challenge with utmost excellence. Living by '**Time is Money**', the Company dedicatedly meets the customer requirements and provides them with quality deliverables on-time. Building long-lasting relationships with the customers is strictly followed under **KRANTI**'s roof.

The Company has reached the epitome of success by embracing tech-enabled advancements and consistent upgradation. These ahead-of-time investments have paved the pathway for **KRANTI** Industries to unlock newer opportunities and surpass every challenge with utmost excellence.

Our strategy is based on both organic and inorganic growth in order to maximize the potential of current and future footprint.

Living by '**Time is Money**', the Company dedicatedly meets the customer requirements and provides them with quality deliverables on-time. Building long-lasting relationships with the customers is strictly followed under **KRANTI**'s roof. Since initial days, the Company is focusing on rolling out customer-centric solutions by:

- State of Art Machining Facility
- Appropriate HR policies to Train & Sustain Team Members
- Respecting Brand Image & continuous efforts to further increase the Benchmark



- Developing & Strengthening Relationship with all stakeholders
- Optimum utilization of all Resources
- Continuing to expand and increase production capacity with latest Technology
- Continuing to improve operational efficiencies.
- Focusing on consistently meeting the quality standards

The Company have a full-fledged ERP system since last 10 years. Looking ahead of future company have already taking steps in Industry 4.0 and have started online OEE and production monitoring system on some machines and have plans to implement this full-fledged across all the production lines in coming years. The Company have also Implemented Online & Realtime MIS reports, so the business KPI's are monitored well.

Our organizational strength and foresight have helped us endure and acquire new capabilities despite external uncertainties and a slump in the automobile sector during the year.



# Our Product Range

## Differential Housing



## Axle Components



# WE SERVE

Using the Brand, the Company leverages relationships with OEMs in India to widen product range with each customer. This helps to mitigate the risk of client concentration and increase wallet share with each of them.

In the changing face of mobility, being a preferred supplier, we participate in OEM's journey towards developing technologically advanced vehicle, including electric and hybrid.



Customer satisfaction is our top priority and one of the key factors behind our steady progress and sustained business. Our approach of Quality, Cost, Delivery, Development and Management (QCDDM) encompasses all the requirements of our OEM clients, helping us to earn their trust.



# Our Corporate Information

REGISTERED OFFICE & WORKS	SUBSIDIARY & ASSOCIATE COMPANIES
<p><b>KRANTI INDUSTRIES LIMITED</b>                      Gat No 267/B/1, At Post Pirangut, Taluka-                      Mulshi , District- Pune -412 115                      CIN : L29299PN1995PLC095016                      SCRIPT: 542459                      ISIN: INE911T01010                      LISTED ON : BSE SME                      OFFICE NO.: 020- 66755676                      EMAIL ID: <a href="mailto:investor@krantiindustries.com">investor@krantiindustries.com</a></p>	<p><b>WONDER PRECISION PRIVATE LIMITED</b>                      (SUBSIDIARY COMPANY)                      At J-63, Midc Bhosari Pune- 411026.                      CIN : U27109PN1986PTC039913</p> <p><b>KRANTI SFCI PRIVATE LIMITED</b>                      (ASSOCIATE COMPANY)                      At Plot No. 104A, GIDC, BAMANBORE,                      Surendranagar, Gujarat, India, 360003                      CIN : U29113GJ2018PTC105630</p>

BOARD OF DIRECTORS & KMP	ASSOCIATES
<p><b>Indubala Subhash Vora</b>                      Non-Executive Director</p> <p><b>Sachin Subhash Vora</b>                      Chairman &amp; Managing Director</p> <p><b>Sumit Subhash Vora</b>                      Executive Director</p> <p><b>Prakash Vasant Kamat</b>                      Non Executive &amp; Independent Director</p> <p><b>CA Satchidanand Arun Ranade</b>                      Non Executive &amp; Independent Director</p> <p><b>Pramod Vinayak Apshankar</b>                      Non Executive &amp; Independent Director</p> <p><b>Sheela Kailash Dhawale</b>                      Chief Financial Officer</p> <p><b>Bhavesh Subhash Selarka</b>                      Compliance officer &amp; Company Secretary</p>	<p><b>M/S A.D.V. &amp; ASSOCIATES</b>                      STATUTORY AUDITOR</p> <p><b>M/S H. J. PATEL &amp; CO .</b>                      SECRETARIAL AUDITOR</p> <p><b>Mr. DILIP DESHPANDE</b>                      FINANCIAL CONSULTANT</p> <p><b>CA SIDDHARTH BOGAWAT</b>                      FINANCIAL CONSULTANT</p>
	REGISTRAR AND TRANSFER AGENT
	<p><b>M/S LINKINTIME INDIA PRIVATE LIMITED</b>                      Mumbai</p>
	BANKERS
	<p><b>HDFC BANK LIMITED</b></p>



## Message from The Promoters



**Mr. Sachin Subhash Vora**  
Chairman & Managing Director

**Late Shri Subhash K. Vora**  
Founder & Chief Promoter

**Mr. Sumit Subhash Vora**  
Executive Director

### Dear Shareowners,

It is a pleasure to share our Annual Report for FY 2020-21. FY21 was a completely unprecedented year; a year of a global pandemic followed by global recession and subsequent government actions to reduce uncertainty in the business scenario. It was a year during which many of us faced difficult personal challenges too. In February 2021 it appeared that India may have managed the situation pretty well, but then the numbers increased unprecedentedly. The Indian government stepped up, allowed vaccination for all eligible adults and initiated several measures to reduce the impact of the second wave. This coupled with the support of equipment, medicines and other essentials from the global community has helped India in its fight against the COVID crisis. We hope very soon we shall see a positive outcome.

FY 21 wasn't anything that any of us had planned nonetheless, businesses and individuals around the world learnt to weather the storm and reimagine the future. Today, we are proud of what your company has achieved and learnt during this truly uncommon year. The resilience and the agility with which response was initiated to safeguard employees and partners was praiseworthy. We ensured sanitization and safety protocols, regular health screening across all plant and work from home wherever possible. A vaccination drive was conducted for all our employees and in phase 1 we are able to complete 1<sup>st</sup> Dose to 65% of our employees and we are now looking to vaccinate the remaining employees too. On the business front, our focus on sustainability and creating a process driven organization helped us tide through tough times. We also focused on cost optimization, growth, the wellbeing of all stakeholders and creating an agile and innovative organizational culture.

As the Promoter Directors of your company, let us assure you that despite myriad challenges, your company is focused on maintaining the growth momentum and delivering value. In FY 21 inspite of COVID 19 our sales for the year grew to Rs. 5,490.85 Lakh in FY 2020-21 from Rs. 4,779.23 Lakh in the previous year which is a growth of 15% partially attributable to the lockdown imposed during last week of March 2020. Though top line and profits declined in the first half of FY21, we were able to reverse this trend and achieved healthy growth and margin in the second half. By the fourth quarter, plant utilization was back to pre-COVID levels. Better capacity utilization supported by a positive demand scenario; favorable recovery trends combined with operational excellence steered recovery in the second half of the year.

As an organization, we have left no stone unturned to ensure value creation for our stakeholders. While we have more work to do, we are focused on driving positive change and our future growth strategy is based on various initiatives such as technological upgradation, long term sustainability, environment friendly practices, corporate governance and talent management. We believe that these initiatives are integral for the long term growth of your organization. We are also focusing on several growth opportunities in both its business segments to improve the bottom line.

As the challenges in the current business environment are constantly evolving, we at KRANTI, are committed to endeavor to grow financially, while creating value for all our stakeholders. Being a purpose-driven organization, wherein, sustainability resides at the core of our vision, values and corporate culture. Our commitment towards sustainability encourages every stakeholder in the value chain to think of new ways to be future-ready, focused not only on growth but also on proactively addressing the challenges of tomorrow.

Dear Shareowners, to further update you on the progress on the new plant construction, we are pleased to inform you that inspite of lockdown and other restrictions our construction project is working on track and as on MAY 2021, we have reached upto plinth level, we are expecting to complete the construction by end of this Financial year and start of production / operations by Q2 of FY 2022-23.

In addition to this new plant, the company has started operations in one more plant (Unit3) from Jan -21 at Urawade, Tal Mulshi, the said premises is taken on lease and have installed 04 machines over their to start the operations, the results of this additional unit can be seen in the Q4 results of the company.

In April 21, the Board of the company has recommended the appointment of CA Satchidanand Arun Ranade as on Additional Independent Director, in place of the vacancy created on account of resignation of Mr. Shashikant Bugde.

As the token of gratitude for your support the Board has approved and recommended an issue of bonus shares in the proportion of (1:5) i.e.; one new equity share for every five existing equity shares. The same was approved by the members in the Extra-ordinary Meeting dated 07<sup>th</sup> May 2021.



We are consistent and firm on the basic principles and strategies we use to build this company – from conducting our business responsibly, to better Governance practices with sustainability and core values as our foundation.

We shall continue to grow our business and contribute to India’s growth story. We are happy to serve our customers, develop our partners and uplift communities in and around our areas of business. We are moved by the challenges we have overcome and proud of our resolve to serve our stakeholders.

Before we conclude, we would like to take this opportunity to put forward that we as a team stand together during this challenging phase of **COVID-19**. We look to fully cooperate with the public authorities in these trying times with due-diligence and compliance.

Further, we thank all our colleagues, Board Members, Management, Regulatory authorities, and the stakeholders for their continued support as we pursue these endeavors going forward. We stand firm in our commitment to achieve sustainable growth and deliver value to all our stakeholders.

We finally urge everyone to stay safe and healthy.

With warm regards,

**For and on Behalf of Board of Directors**

**KRANTI INDUSTRIES LIMITED**

Sd/-

**SACHIN VORA**  
DIN: 02002468  
CHAIRMAN & MANAGING DIRECTOR  
Date: July 09, 2021

Sd/-

**SUMIT VORA**  
DIN: 02002416  
EXECUTIVE DIRECTOR

# Our Governance

---

A Strong Corporate Governance Structure is a hallmark of a sustainable organization. Our ability to handle risks responsibly is further shown by a clear focus on good governance. We attribute our success to the foundation of our collaborative and ethical leadership. We strongly believe that corporate governance is one of the key enablers in the creation and enhancement of long-term sustainable value for our stakeholders, comprising of our employees, investors, customers, suppliers, vendors and the society at large.

Our Board of Directors and management team are dedicated to maintaining high governance standards while serving the Company's and shareholders' interests. Our Board of Directors ensures that our company operates in a fair, transparent, and ethical manner.

We are led by a Board that comprises of 6 individuals. It comprises of qualified members from the industry, with diverse experience and credentials, selected for their acumen and ability to challenge, and add value to the organization. Our Board members exemplify good governance by following the corporate governance guidelines, codes of conduct and financial ethics. They bring forward the required skills, competence, depth of experience that allows the Board to take effective decisions and guide the management to achieve the Company's objectives and enhance stakeholders' value. The Board meets regularly to review all aspects related to strategic, operational, and financial matters. The Board of Directors is at the core of our corporate governance practice and oversees that the management serves and protects the long-term interests of all our stakeholders. If required and appropriate, they delegate their authority to Directors who head various committees. The Board also fosters a great culture in which it evolves and follows not just the stated corporate governance guidelines, but also the global best practices. The high standards of transparent disclosures, individual accountability and ethical behavior are ingrained in all our business dealings and shared by our Board of Directors, key management and employees.

## Key Codes and Policies

As part of our continued evolution towards becoming a sustainable and responsible organization, we have come out with the KRANTI Policies & Code of Conduct that presents principles governing and guiding KRANTI as a business group. Our Code of Conduct is supported by an underlying framework of policies and procedures which provide specific guidance to employees on their behavior required to uphold our organization's values.

These policies and the Code of Conduct are important to our progress. They are the foundations upon which we as a company are built. The Code of Conduct outlines the desired behavior required of KRANTI and its employees in all business dealings.

Some of the Key Policies implemented across Kranti are

- 
Code of Conduct for Independent Directors
- 
Risk Management Policy
- 
Nomination and Remuneration Policy
- 
Related Party Transaction policy
- 
Whistle Blower Policy & Vigil Mechanism
- 
Materiality Policy
- 
Insider Trading Policy
- 
Code for Fair Disclosure of Undisclosed Price Sensitive Information
- 
Prevention of Sexual Harassment at Workplace

## Sustainability Governance

At KRANTI, sustainability is a top priority that has been completely integrated into our operations in order to generate long-term value. Our goal is to achieve market excellence while fostering community and industry harmony. We uphold a strong sustainability governance structure with cross-functional representation, wherein, the senior leadership oversees at the broad level, facilitating the embodiment of sustainability vision into all facets of our business.



## Our Board of Directors



**Mr. Sachin Subhash Vora is the Promoter and Chairman & Managing Director of our Company.** He is having 18+ years of experience in the automobile components industry. He has completed his B.E. (Industrial Electronics) from University of Pune in the year 2002. He is responsible for the development and execute the Company's business strategies in order to attain the goals of the board and shareholders. Lead and implement comprehensive business plans to facilitate achievement by planning cost-effective operations and market development activities. His leadership abilities have been instrumental in growth and development of our Company.

**Mr. Sumit Subhash Vora is the Promoter and Whole Time Director of our Company** with 18+ years of experience in automobile components industry. He has completed his Diploma in Mechanical Engineering from Maharashtra State Board of Technical Education in the year 2002. He is awarded by NIIT for Web Centric Computing in the year 2002. He is specialized in leading team for continues improvement in each function/department for increasing the profitability of the business. He is also prudently involved in planning, budgets, reviewing expenses, cutting manufacturing costs, monitoring inventory, human resources. He is also researching and implementing new directives for business growth and prosperity.



**Smt. Indubala Subhash Vora** has been on the Board from the inception of the Company and she is Promoter of the Company. Currently, she holds the position of Non- Executive Director of the Company and have more than two decades of experience in business. She acts as support for smooth functioning of the Organization. Her varied experience helps organization to work unitedly towards the Vision & Mission of the Organization.



**Mr. Prakash Vasantao Kamat** is having diversified experience of 42 years in the field of engineering, technology & supply chain operations. He has completed his Bachelors in Engineering (Mechanical) from Bombay University in 1973 and a Diploma in Operation Management from Bombay University in 1985. He presently provides consultancy services to SME companies for strategic sourcing, supply chain management and development of parts and improvements in the manufacturing operations. He also provides Guest Lectures in Management and Engineering Institutes in Operations Management & Supply- Chain Management

**Mr. Pramod Vinayak Apshankar** is having 41 years of experience in manufacturing sector. He has completed his Bachelors in Engineering (Mechanical) from Nagpur University in the year of 1975. He was in the past associated with Kirloskar Oil Engines. Presently, he is the Managing Director of Stud Craft (India) Pvt. Ltd. which deals in manufacturing weld studs and other engineering items.



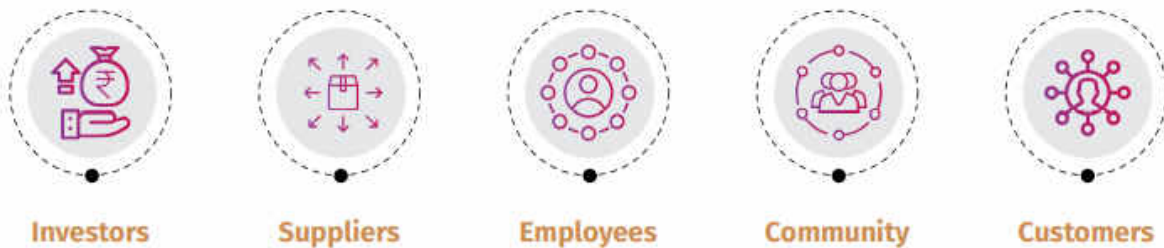
**Mr. Satchidanand Arun Ranade** is a qualified **Chartered Accountant** by profession and commerce graduate from Pune University. CA Ranade sir having diversified experience more than 28 years in the field of finance, accounting, taxation etc. He has also obtained various other certifications like Arbitration, Concurrent Audit of Banks CSR & Anti-Money Laundering Laws. He was holding the position of Independent Director for the term of 3 years with Pune Stock Exchange Limited. Presently, he is serving as Panel Arbitrator on NSE Pune Bench.

# Stakeholders Engagement Process

At KRANTI, we consider stakeholders as our invaluable partners as we stride forward on the path towards a sustainable future. We have developed a robust stakeholder engagement process to nurture relationships, which would ultimately improve our strategy and decision-making. We take the utmost pride in including our stakeholders as a central element in determining our material issues.

We conduct an extensive consultation with all concerned stakeholders and work towards finding better ways and means of value creation. Explicit and perceived stakeholder concerns are regularly reported to the management for consideration, while the Company’s policies and actions are shared as input for the stakeholders.

We understand that there is a greater risk factor involved when businesses do not examine or consider their long-term effects. By strategically engaging with their stakeholders, businesses can foresee risks and can therefore plan for any disruptions that might occur in the future. Healthy stakeholder relationships also help us communicate how business decisions, activities and performance are likely to be of significant interest.



Our robust stakeholder engagement process enables us to map stakeholder expectations reliably. We engage with our stakeholders to uncover all the aspects of economic, environmental and social issues. While we give utmost importance to all our stakeholders, we have detailed the modes of engagement and key issues of five key stakeholder groups.

The concerns identified during stakeholder engagements are viewed as both risks and opportunities for the Company. We identify strategies to mitigate the risks and capitalize on the opportunities that follow.



Stakeholder	Key Stakeholders Expectations	Engagement Platform
<b>Investors</b>	<ul style="list-style-type: none"> <li>• Growth of the Company</li> <li>• Reward to shareholders</li> <li>• Return on capital employed (ROCE)</li> <li>• Governance and risk management</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Investor conferences</li> <li>• Regular disclosures to stock Exchange</li> <li>• Updates on website of the Company</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Payment terms</li> <li>• Growth of suppliers</li> <li>• Fair and transparent dealing</li> <li>• Loading/ unloading infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic Meet with Suppliers and Vendors</li> <li>• Suppliers' feedback and periodic site visits</li> <li>• Timely Payment Release Cycles</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Growth opportunities</li> <li>• Safe working environment</li> <li>• Hygiene and sanitation</li> <li>• Talent attraction and retention</li> <li>• Training and development</li> <li>• Employee related policies</li> </ul>	<ul style="list-style-type: none"> <li>• Employee Engagement Surveys</li> <li>• Regular Training and Motivational Events</li> <li>• Monthly and Quarterly meetings</li> <li>• Rewards and Recognition</li> <li>• Annual Performance Incentives and pays.</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>• Livelihood support</li> <li>• Hygiene and sanitation facilities</li> <li>• Resource optimization</li> </ul>	<ul style="list-style-type: none"> <li>• Community Meetings and Visits</li> <li>• Interaction with Local Bodies</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Product quality</li> <li>• Delivery</li> <li>• Customer connect</li> <li>• Credit period and transparent payment Terms</li> <li>• Packaging</li> <li>• Health and safety aspects</li> <li>• Innovation</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction surveys</li> <li>• Direct customer relationship management satisfaction initiatives</li> <li>• Regular customer visits and meets</li> </ul>

## GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting	26 <sup>th</sup> AGM of Kranti Industries Limited
Date	Tuesday August 10, 2021
Time	03.30 PM onwards
Mode	Video Conferencing or Other Audio- Visual Means
Venue	At Gat No. 267/B/1, Post Pirangut, Taluka Mulshi, District- Pune- 412115
Financial Year Reported	April 1, 2020 to March 31, 2021
Cut-Off date for Notice	July 09, 2021
Cut-Off date for AGM	August 03, 2021
Date of Book Closure	August 03, 2021 to August 10,2021
E-voting Period	August 07, 2021 09.00 AM to August 09, 2021 05.00 PM
Event Code for AGM and E-voting	210135
Stock Code	245459
ISIN	911T01010
CIN	L29299PN1995PLC095016

### CATEGORIES OF SHARE HOLDERS AS ON MARCH 31, 2021

Categories	No of Shares	% of Total Shareholding
Promoters	48,93,730	55.59%
Promoter's Group	16,33,600	18.55%
Body Corporates & Clearing Members	7,20,000	8.18%
Public-Individual	14,55,670	16.53%
NRI	3,000	0.03%
Trust / HUF	96,000	1.09%
<b>Total</b>	<b>88,02,000</b>	<b>100.00%</b>

### RE-CONCILIATION OF SHARE CAPITAL AUDIT:

As stipulated by SEBI, a qualified Professional carries out the reconciliation of the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The audit is carried out every quarter and the report thereon are submitted to the Stock Exchange where the company's shares are listed. The audit confirms that the total listed and paid up capital is in agreement with the aggregate of total number of shares in Dematerialized form (held with NSDL & CDSL).

Capital Structure		
Company Name	Kranti Industries Limited	
Period	As on March 31, 2021	
Particulars	No of Shares	% of Total Holding
NSDL Holding	55,17,150	62.68%
CDSL Holding	32,84,850	37.32%
Physical Holding	-	0.00%
Total	88,02,000	100.00%
Total Paid-up capital	88,02,000	
Difference	NIL	

#### DETAILS OF INVESTOR'S REQUEST / COMPLAINTS:

During the period under review, company has received Investor's Request / Complaint as mentioned below:

Nature of Request / Complaints	Opening	Received	Total	Redressed	Pending
Delay in Transfer of Shares	0	0	0	0	0
Delay/Non receipt of Annual Report	0	0	0	0	0
Delay/Non-Receipt in issue of Duplicate Shares	0	0	0	0	0
Delay/Non-Receipt of client's information in records	0	0	0	0	0
Non-Receipt of Shares / Dividends / Rights / Bonus issue	0	0	0	0	0
Others (Please Specify)	0	0	0	0	0

#### MEANS OF COMMUNICATION TO SHAREHOLDERS

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, thoughts, ideas and plans of all stakeholders which promotes management shareholders relations. The Company regularly interacts with shareholders through multiple channels of communication such as results, announcements, annual report, media releases, company website.

- The unaudited half yearly results are announced within Forty-five days of the close of the half year.
- The audited annual results are announced within Sixty days from the closure of the Financial year as per the requirement of the SEBI (LODR) Regulation, 2015.
- The approved financial results are forthwith sent to the stock exchange and displayed on the Company's website at [www.krantiindustries.com](http://www.krantiindustries.com)
- Managerial discussion and Analysis form part of the Annual Report which is sent to the shareholders of the Company.
- The half yearly results, shareholding pattern, quarterly/half yearly compliances and all other corporate communication to the stock exchange viz. BSE Limited of India are filled electronically.

- The Company has complied with filing submission through BSE's - BSE Listing Centre.
- A separate dedication section under "INVESTOR" on the Company's website gives relevant information of interest to the investors/ public like shareholding pattern, half yearly results etc.

#### SHARE TRANSFER SYSTEM:

As all the shares held in Dematerialized mode, the transfer takes place instantly between the transferor, transferee and the depository participants through electronic debit/ credit of the accounts involved. In Compliance with the Listing Regulation, a Certified Professional carries out audit of the system and a certificate to that effect is issued.

#### NOMINATION:

Nomination facility in respect of shares held in electronic form is available with the depository participants as per the bye-laws and business rules applicable to NSDL & CDSL. Nomination form can be obtained from company's Registrar and Share Transfer agent.

#### SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE:

As a part of green initiatives, the members who wish to receive the notice/ documents through email, may kindly intimate their email address to the Companies Registrar and Transfer Agent.

#### ADDRESS OF COMMUNICATION:

- Company: **KRANTI INDUSTRIES LIMITED**  
Mr. Bhavesh Selarka  
Company Secretary and Compliance Officer  
Registered Office : Gat no 267/B/1, At Post Pirangut, Tal. Mulshi, Pune 412115, MAHARASHTRA INDIA. Phone : 020-66755676,  
Email : [investor@krantiindustries.com](mailto:investor@krantiindustries.com) Web : [www.krantiindustries.com](http://www.krantiindustries.com)
- Registrar and Transfer Agent (RTA):  
**Link Intime India Pvt. Ltd.**  
Address: C 101, 247 Park, LBS Marg, Vikhroli West Mumbai- 400 083.  
Tel Ph No. +91 22 4918 6000 Fax: +91 22 4918 6060  
Email: [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in) Website: [www.linkintime.co.in](http://www.linkintime.co.in)



# Managing Risk, Maximising Return

Risk Management is an Integral part of the company’s plan and operations. We have time and again, proven our ability to take on challenges. However, through a prudent and organized risk management frame work, we have also been able to exert ample caution in mitigating those risks.

KRANTI recognizes risk management as an integral component of good corporate governance. Our risk management framework has been designed in such a way that it ensures awareness of the risks that threaten the achievement of objectives. At KRANTI, through our Board of Directors, we have constituted a Risk Management Committee, that constitutes with the members of the Board. The Board defines the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the Committee.



Identify



Analyse



Action



Monitor



Control

The risk management procedure is applied in a well-defined, integrated framework, which promotes awareness of risks and an understanding of the Company’s risk tolerances. We regularly engage with our strategic stakeholders and domain experts to identify and understand global risk trends and their impacts. Consequently, we also update our business models, execution strategies and risk profiles in a periodic manner. The Board is also responsible for determining the Company’s risk appetite, overseeing the development, implementing the Risk Management Framework and maintaining an adequate monitoring and reporting mechanism.

Risk Management Policy and Risk Management Framework have been developed to include the following key categories.

Sr. No	Risk Name	Mitigation Strategy
01	Raw Material availability & Volatility	<ul style="list-style-type: none"> <li>Focus on efficient use of raw material.</li> <li>Due Diligence &amp; effective management for optimized settlements with raw material suppliers</li> </ul>
02	Financial Cost & disciplined Capital cost Allocation	<ul style="list-style-type: none"> <li>Targeted deployment of financial funds, meticulous allocation of capital, and making future ready investments.</li> <li>Efficient capital management thereby deriving the maximum output for each unit of capital disbursed</li> </ul>
03	Governance, Compliance & Regulatory Changes	<ul style="list-style-type: none"> <li>Dedicated Compliance department directly under Managing Director with a compliance management framework in place to ensure highest standards.</li> <li>Keeping track of changes in the regulatory landscape, coupled with systems and processes to ensure compliance with applicable laws with and other legal standards.</li> </ul>
04	Ethical Business Practices	<ul style="list-style-type: none"> <li>Ensuring that all employees, including long-term contractors, are trained on Company's Code of Conduct.</li> <li>Mechanism of reporting and Investigation of the breaches of the Code of Conduct in place</li> </ul>
05	Cyber Security	<ul style="list-style-type: none"> <li>Systems are upgraded regularly with the latest security standards. For critical applications, security policies and procedures are updated on a periodic basis.</li> <li>Periodic security compliance check, firewalls up-gradation and regular patch updates</li> </ul>
07	New Product & Process Enhancement	<ul style="list-style-type: none"> <li>Focus on developing new, innovative, customer-centric and differentiated products catering to stakeholder expectations.</li> <li>Building brands and increasing customer reach</li> </ul>
08	Digitization/ Automation	<ul style="list-style-type: none"> <li>Strategic focus on technology to make processes simpler for all stakeholders.</li> <li>Uptake of new-age technology to increase operational efficiency, improve processes and provide enhanced customer engagement.</li> </ul>
09	Customer Services	<ul style="list-style-type: none"> <li>Empowering the staff, the employees, the customer-facing people to make customer success the company culture.</li> <li>Collaborating with the customers to understand their needs and help them achieve the desired outcome</li> </ul>

# Our Manufacturing Capital

Our manufacturing capital, which comprises of plants, machinery, equipment, and other physical assets, enable us to deliver innovative and value-added products that cater to the needs and requirements of our ever-growing customer base. We are proud of our world-class facilities.

**03**  
**Manufacturing Plants in Pune**

**55 +**  
**Hi-Tech Production machines**

**73 Cr +**  
**Fixed Asset Gross Block**

**4.50 L +**  
**Machined Components Delivered**

We aim to make significant investments in our manufacturing plants and equipment to deliver the best-in-class products to our customers. We also ensure that these investments will have least impact possible on our environmental footprint. We have strived to expand our customer base, introduce innovative products and improve on our resource efficiency in compliance with the environmental and regulatory guidelines. This has enabled us to create value for all our stakeholders and also generate reserve cash flow that could come in handy during troubled times. We have, thus, envisioned value addition, quality enhancement and lower production costs as part of our journey towards a sustainable growth.

Our annual capital is allocated based on multiple factors such as technology upgradation, market competitiveness, customer requirements and cost factors. The outcome from our manufactured capital permit us to leverage on delivering value-added products to our customers. We have also set precedence in maintaining and upgrading our equipment within the plants so as to bring in an edge over our competitors.

We have three units located in Pirangut-Pune, Maharashtra and are equipped with various machines and suitable infrastructure and quality control setup to handle the product portfolio. The manufacturing process provides us with the flexibility of manufacturing any part of our products at short notice and delivered within a shorter lead time. All the units are located in close vicinity, thereby increasing the flexibility and reducing the overheads and costs. In these units there are 55+ production machines installed. We have a wide range of CNC turning center, Vertical Machining center (VMC), Vertical Turret Lathe (VTL) Horizontal Machining Centre (HMC) and Multi-Axis Hi-tech Machines from the globally renowned manufacturers.

# Our Intellectual Capital

Day-to-day’s technological advancements have dramatically reshaped the world that we live in. The manufacturing industry has witnessed a major shift towards technology adoption driven by automation, process innovation and Internet of Things (IoT). This has resulted in attaining higher efficiency and production levels across industries.

We are driving the change, not just adapting to change, by seizing inorganic growth opportunities in the technology space. We are in continuous search of new technology tie-ups and upgradation of existing industry technology. Combining our market leading abilities across process design, engineering, and product deliverable management, we are uniquely positioned to support and improve the competitiveness of our OEM customers. We are also making use of the Industrial Internet of Things (IIoT) to unlock new value in the auto component space.

**10**  
**New Products Developed**

**2.75 L +**  
**Differential Case Machined**

**25 +**  
**Kaizen Completed**

**04**  
**VAVE Projects Completed**

## Strengthened Offerings

We continue to deliver leading edge tech solutions and engineering breakthrough products. Our constant aim is to enhance our product mix through higher-end technology. We have acquired the capability to take on new business with an increased focus on futuristic products. Our product mix has been enriched with more variety, latest technology, and smarter pricing, leading to sustained profitability.

We are constantly outpacing industry growth by leveraging our operational strategy with focus on new product development, enhancing original equipment efficiency, cost optimization, low-cost automation and component cost reduction.

We constantly look for opportunities in high-technology futuristic products. This is based on our strategy to improve our revenue and our endeavors to manufacture **“First Time Right”** products. We focus on delivering the product as per the customers stated and implied needs.



# Our Human Capital

We employ the best talent and consider it our privilege to work with them. Our people are the greatest contributors in our continued success, and we are committed to their over-all well-being. We believe that an inclusive work environment inspires employees to perform better, thus driving business growth.

At KRANTI, we constantly work on keeping our people connected to the Company’s core values and purpose, and also on keeping them motivated to perform their best. We have inculcated the right values that guide us towards realizing our purpose of continuous value creation. Our constant objective is to transform the employees of today into the business drivers of tomorrow.

**200 +  
Employees**

**2305  
Man months  
used in FY 2021**

**29 yrs  
Average Age of  
Employee**

**24 L  
Sales / Employee  
in FY 2021**

We have a firm belief that a high-quality and motivated workforce can be the key to achieve our strategic objectives. We offer innovative people practices in a manufacturing set-up with opportunities for employees across all levels. We specifically focus on talent management, employee communication and learning & development. We also provide the right platform for our employees to hone their skills, competence levels and experience to help enrich our strength as an organization. The on-the-job learning modules also help our employees to deliver higher performance and make them ready as leaders of tomorrow.

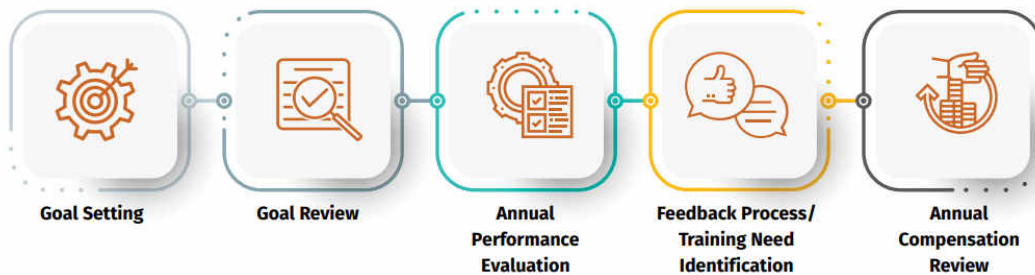
## Building the Right Culture and Capability

We continue to sustain a high-performing culture-oriented towards innovation. Skill building through training and employee motivation through engagement and feedback are indispensable for our growth path. Our HR policy is focused on people development and hiring talent to create a pipeline of leadership to take care of our future business growth. Our endeavor is to build the employees of tomorrow with capabilities to take on challenging roles; thanks to this, we have one of the highest estimated retention rates in the industry.

We are developing domain experts in the areas of inter-personal relationships, understanding organizational dynamics, and other functional perspectives and needs. This becomes part of the broader business strategies through structured cross-functional projects, solving business challenges, and direct coaching by senior leadership. Tremendous value is being generated from the learning experience of employees as they look at things from different perspectives and learn to consciously change their mindset.

## Talent Attraction and Performance Management

We at KRANTI, have a streamlined process of talent acquisition and performance management. We have bolstered our efforts towards fostering an inclusive and diversified work culture. We strive to attract, engage, develop and retain talented employees who would be our most valuable assets in the future. Our talent attraction methodology focuses on assessing an individual based on their calibre and their potential to perform and grow within the organization.



We routinely monitor the performance of our employees at all levels and provide incentives, rewards and recognition based on the deserving performances and contributions. We have also set targets for a single-digit attrition rate, increased female representation and escalated employment opportunities for all.



## Our Leadership Team



**Sachin Vora**

Chairman cum Managing Director



**Sumit Vora**

Director



**Shila Dhawale**

Chief Financial Officer



**Bhavesh Selarka**

Company Secretary & Compliance Officer



**Ramdas Gunjal**

Operations



**Prashant Shetty**

Marketing & Development



**Mahesh Sarnaik**

Human Resource & Administration



**Prasad Kulkarni**

Quality



**Nitin Pandit**

Plant Maintenance



**Aman Jain**

Procurement

# Our Financial Capital

At KRANTI, we fully understand that incorporating operational excellence coupled with judicious allocation of financial resources is fundamental in creating and managing our stakeholders' value in the long run. We have the appropriate tools at our disposal for critical assessment of our financial capital.

**54.91 Cr**  
**Revenue**

**4.89 Cr**  
**EBIDTA**

**19.47 Cr**  
**Networth**

**23.50 Cr**  
**Borrowings**

We strive to optimize returns for all stakeholders who have invested in our continued growth. This section provides a glimpse into how our management understands and responds to the broader aspects of our business and bring in the necessary financial resources to enable and sustain our value creation process.

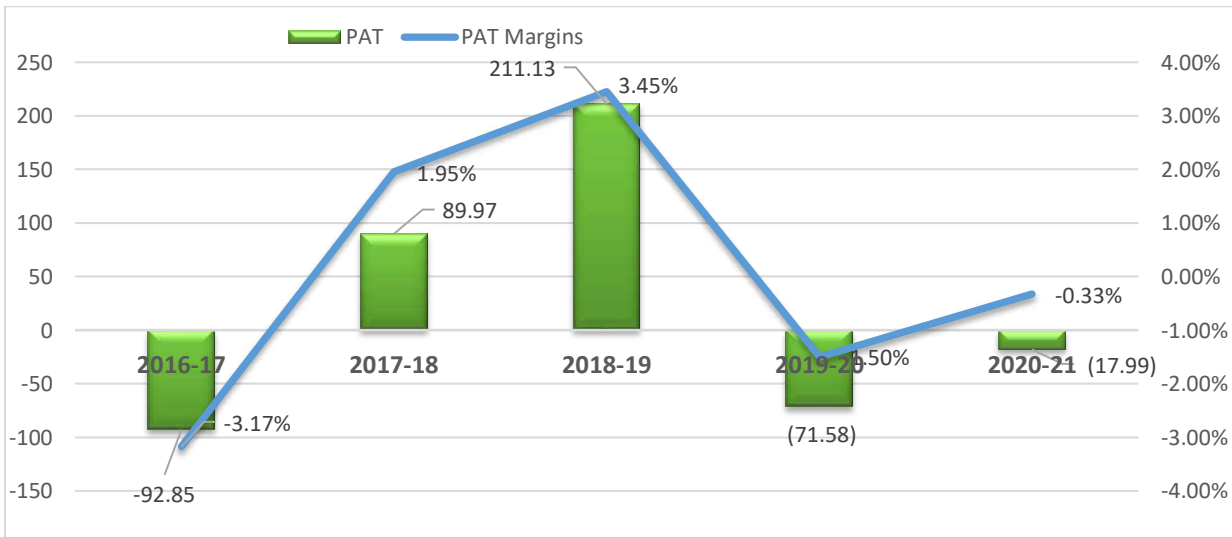
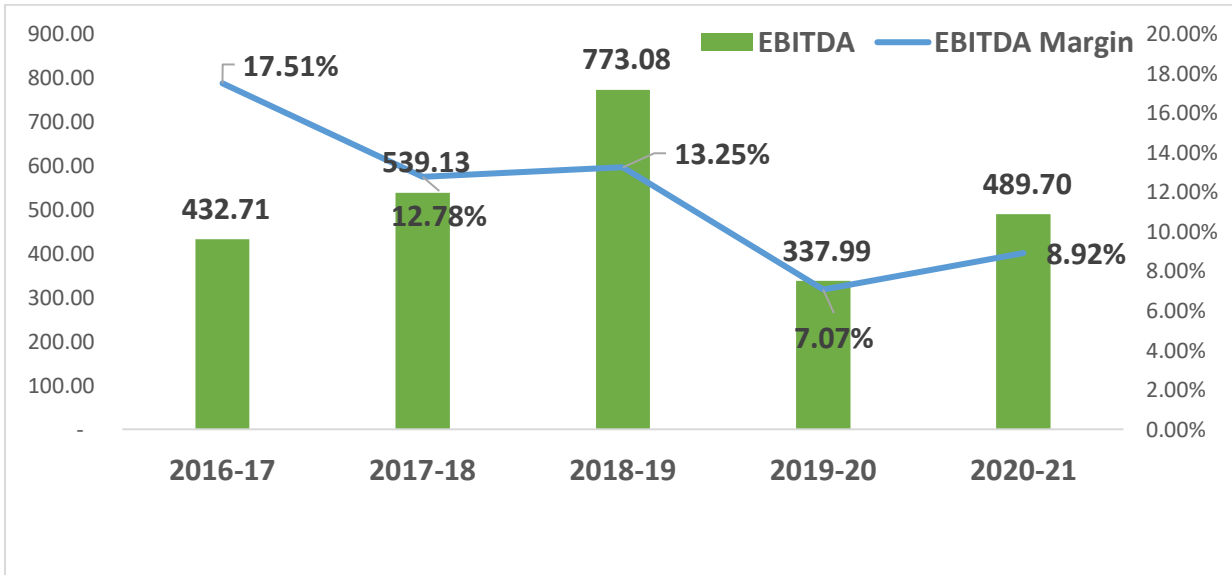
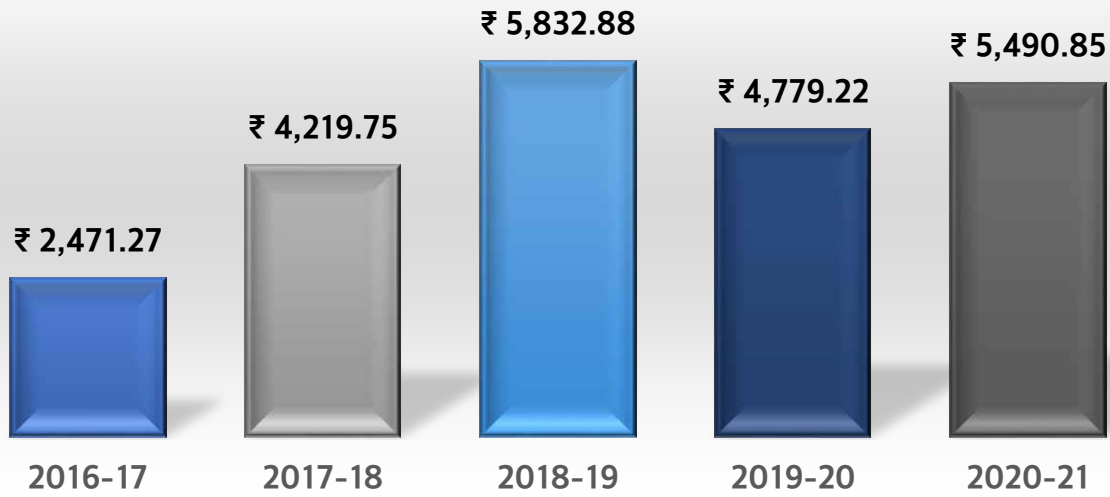
Our robust financial management process helps us assess the requirement of funds for sustainable business operations. It also helps us make investments to tackle any untoward situation that may arise in today's highly dynamic and volatile market. Our positive performance during an uncertain year reflects upon the resilience of our business model. While managing material changes that might adversely affect our financial position, we constantly work towards delivering attractive returns to our shareholders.

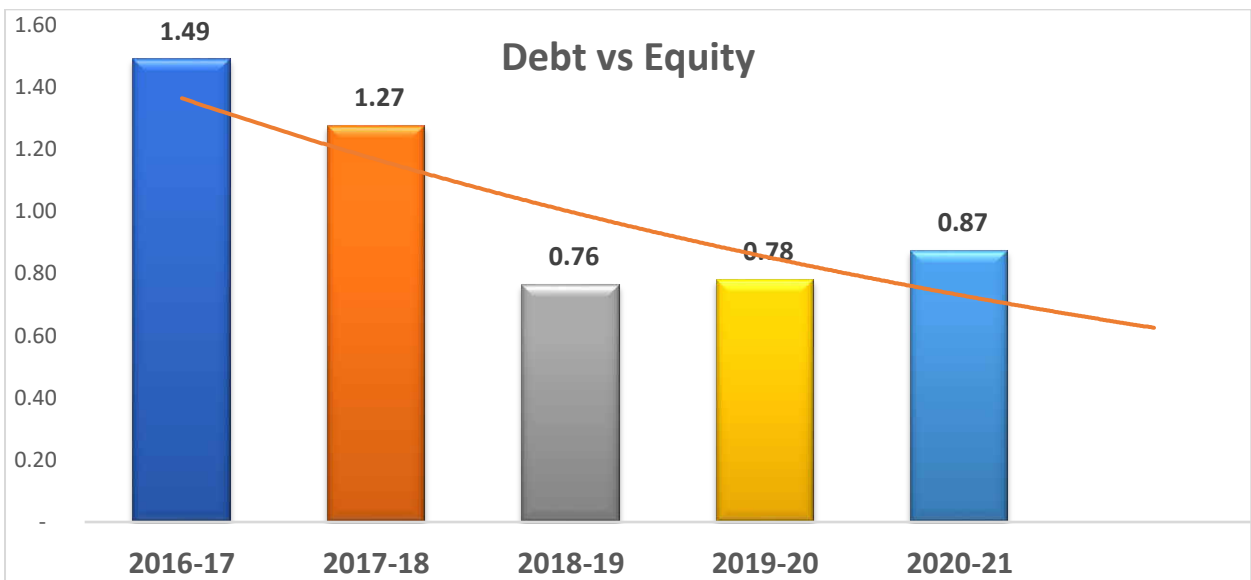
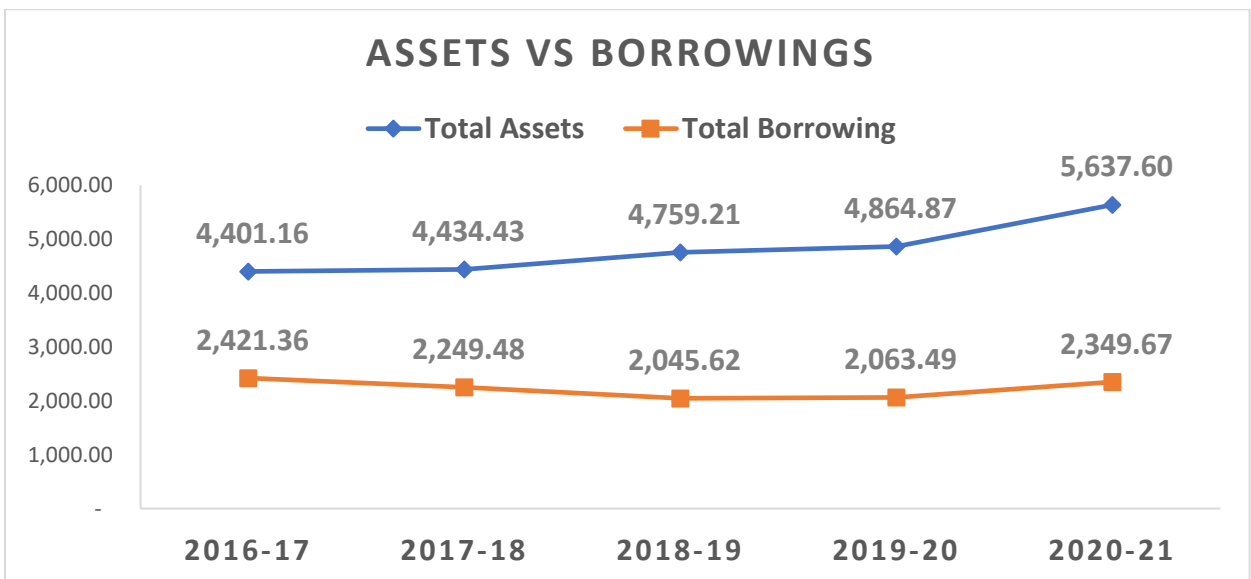
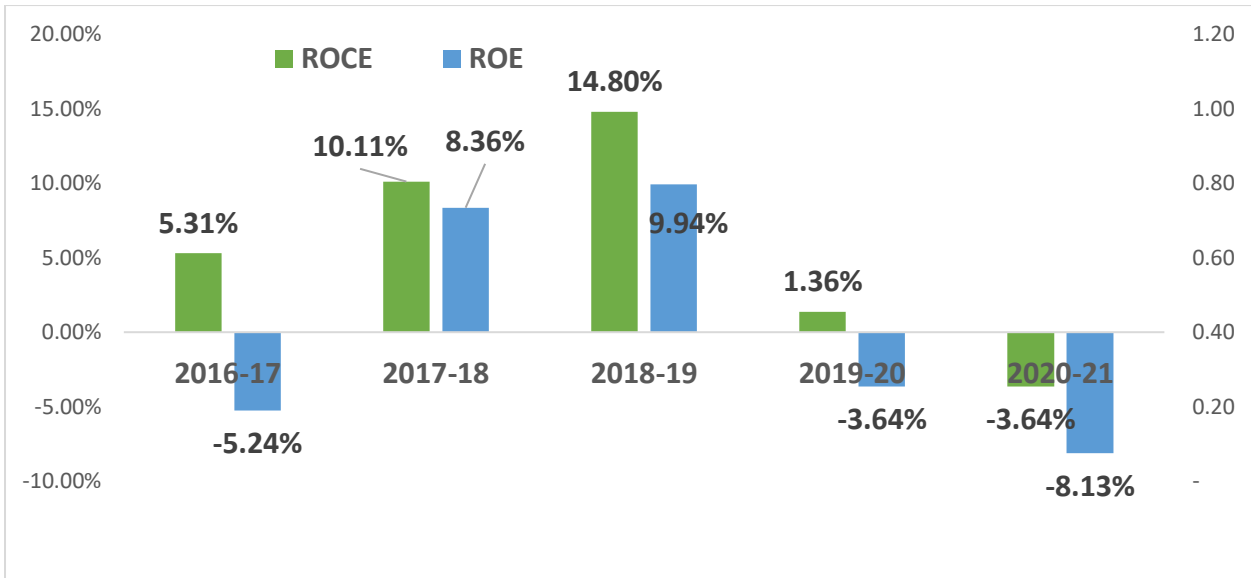
We are pleased to announce that we disclose our financial parameters in a straightforward and transparent manner, including total income, profit after tax, borrowings, return on invested capital, and share price, among others.

Financial capital is critical to our development and, as a result, has a positive influence on our manufactured, human, and intellectual capitals.



### TOTAL REVENUE





# Board Report

DEAR SHAREOWNERS,  
KRANTI INDUSTRIES LIMITED.

Your directors take pleasure in presenting the 26<sup>th</sup> Annual Accounts on the business and operations of your Company, along with the summary of standalone and consolidated financial statements for the year ended March 31, 2021. The economic contraction in first half of FY 2020-21 was very challenging due to Covid - 19 nationwide lockdown however, business activities returned to normalcy due to its zeal and commitment. The Company has witnessed gradual recovery in the domestic demand back to pre-COVID level in all the business segments. The financial highlights of the Company for FY 2020-21 are given below.

## FINANCIAL HIGHLIGHTS:

(In INR Lakh)

Particulars	Standalone		Consolidated	
	F.Y. 2020-21	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2019-20
Revenue from Operations	5,450.22	4,754.82	5,622.65	4,896.37
Other Income	40.63	24.41	40.92	29.11
<b>Total Revenue</b>	<b>5,490.85</b>	<b>4,779.23</b>	<b>5,663.57</b>	<b>4,925.48</b>
Cost of Material Consumed	3,336.13	2,891.39	3,355.08	2,905.05
Changes in inventories of finished goods and WIP	-28.53	-55.79	-21.33	-56.46
Manufacturing and Operating Expenses	741.22	723.49	730.80	745.74
Employee Benefits expenses	713.42	647.38	797.52	727.25
Sales, administration, and Other Expenses	238.91	234.76	254.52	247.38
Finance Cost	177.81	154.39	191.87	170.97
Depreciation and amortization expenses	338.73	281.51	369.16	315.55
<b>Total Expenditure</b>	<b>5,517.70</b>	<b>4,877.14</b>	<b>5,677.62</b>	<b>5,055.49</b>
<b>Profit/(Loss) Before Tax</b>	<b>-26.85</b>	<b>-97.91</b>	<b>-14.05</b>	<b>-130.01</b>
<b>Less: Provision for Taxes</b>	-	-	-	-
(a) Current Tax	-	-	-	-
(b) Deferred Tax	-8.86	-27.08	-8.00	-34.38
(c) Current tax expenses relating to prior years	-	0.75	-	0.75
<b>Profit for the year Before Minority Interest</b>	<b>-17.99</b>	<b>-71.57</b>	<b>-6.05</b>	<b>-96.38</b>
Minority Interest and Share of Profits (Loss) of Associates	-	-	-6.51	-8.32
<b>Profit/(Loss) After Tax Carried to Balance sheet</b>	<b>-17.99</b>	<b>-71.57</b>	<b>-13.28</b>	<b>-103.21</b>

The financial performance of the Company for the year ended on **MARCH 31, 2021** is summarized below:

### PERFORMANCE OF THE COMPANY:

#### REVENUES-Standalone

During the year under review, your company registered a total revenue of the Company on a standalone basis was stood at ₹ 54.50 Crores (approx.) as compared to total revenue of ₹ 47.54 Crores (approx.) in the previous year and company has earnings before interest, tax, depreciation and amortization on standalone basis was stood at ₹ 4.89 Cr. (approx.) as compared to EBITDA of ₹ 3.38 Cr in the previous year.

#### REVENUES-Consolidated

During the year under review, the total revenue of the Company on a consolidated basis was stood at ₹ 56.22 Crores (approx.) as compared to total revenue of ₹ 48.96 Crores (approx.) in the previous year.

#### PROFITS/LOSS-Standalone

During the year under review, Company's Net Loss on standalone basis was reported at ₹ 17.99 lakhs (approx.) as compared to Net Loss from business operations of ₹ 71.57 lakhs (approx). Further, due to effect of COVID-19 nationwide lockdown imposed, as a result Company met the net loss of ₹ 17.99 Lakhs.

#### PROFITS/LOSS -Consolidated

In addition to above, COVID-19 pandemic affected its subsidiary Company as well, considering the same the Company noted consolidated figures of net loss of ₹ 13.28 Lakhs (approx.), as compare to net loss of ₹ 103.21 Lakhs (approx.) in the previous year.

#### DIVIDEND:

Being the loss during the period under review and with a view to conserve capital, given the challenging situation caused by outbreak of the COVID-19 pandemic, the Board of Directors does not recommend any dividend for the current financial year ended on March 31, 2021.

#### SHARE CAPITAL OF THE COMPANY

During the year under review, the authorised share capital of the Company has increased from Rs.10 Crore to Rs.15 Crore after obtaining necessary approval of the Members of the Company at the 25<sup>th</sup> Annual General Meeting held on September 18, 2020.

After considering above, the Authorized Share Capital of the Company was Rs.15,00,00,000/- (Rupees fifteen Crores only), whereas the Paid-up Share Capital of the Company was at Rs.8,80,20,000/- (Rupees Eight Crore Eighty Lacs and Twenty Thousand only) divided into 88,02,000 shares of Rs 10/- each.



## DEPOSITS:

During the year, the Company has not accepted any deposits from its members as prescribed under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014

During the period under review, the Company was having opening balance of Rs.4.05 Crores as an unsecured loan, which was borrowed from the Directors of the Company, out of which, the Company has repaid Rs.25 Lacs, and Rs.3.80 Crores left outstanding as on March 31, 2021.

## TRANSFER TO RESERVES:

The company has not proposed any amount to be transferred to General Reserve.

## LISTING:

Currently the Equity Shares of the Company are listed on SME Platform of BSE Limited. And there are no arrears on account of payment of Listing Fees to the Stock Exchange.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### Board of Directors:

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Sachin Subhash Vora, Director of the Company retire by rotation at the ensuing AGM. The Board of Directors of the Company, on the recommendation of Nomination and Remuneration Committee (NRC), has recommended his re-appointment.

During the year under review, the term of Independent directors namely Mr. Prakash Kamat, Mr. Shashikant Bugde and Mr. Pramod Apshankar got expired on November 29, 2020, for which on the recommendations of NRC in meeting held on November 20, 2020, the Board has approved their re-appointment as an Additional Independent Directors of the company in their Board Meeting held on February 13, 2021.

Mr. Shashikant Bugde was on the Board of the Company since November 2015 i.e.; even before the listing of Company on the BSE, and has rendered immense service to the Company. He demitted office as an Independent Directors w.e.f. April, 05, 2021 on account of his advanced age and health reasons. The Board places on record its deepest gratitude and appreciation towards valuable contribution made by Mr. Shashikant Bugde to the growth and good governance of the Company during the tenure as a Director of the Company.

Subsequently, in accordance with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, it is mandatory to keep the Board Composition in line with the requirements of Act and the Regulations, as the case may be, therefore considering the same, the Board of Directors has, on the recommendation of Nomination and Remuneration Committee (NRC), appointed Mr. Satchidanand Arun Ranade as an Additional Independent Director on April 06, 2021, in place of Mr. Shashikant Bugde.

On the other hand, the appointments of all Additional Independent Directors namely Mr. Prakash Kamat, Mr. Pramod Apshankar and Mr. Satchidanand Arun Ranade were approved by the Members of the Company at the Extra-Ordinary General Meeting held on May 07, 2021.

In further addition to above, during the period under review, the Board of Directors has Re-appointed Mr. Sachin Subhash Vora (DIN 02002468) as Chairman and Managing director and Mr. Sumit Subhash Vora (DIN 02002416) as Whole Time Director of the Company for a further period of five year effective from November 26, 2020.

The Board of Directors on the recommendation of the NRC commends their appointment/re-appointment at the ensuing AGM.

As on date of this Board Report, the Board of the Company consists of 06 (Six) Members, including 03 (Three) Independent Directors; 01 (One) Non-Executive Woman Director, AND 02 (Two) Executive Directors (including 1 Chairman & Managing Director as well as 1 Whole-Time Director), and the same are detailed below:

Sr No	Name of the Directors	DIN No.	Designation
1	Indubala Subhash Vora	02018226	Non-Executive Director
2	Sachin Subhash Vora	02002468	Chairman & Managing Director
3	Sumit Subhash Vora	02002416	Executive Director
4	Prakash Vasant Kamat	07350643	Independent Director
5	Pramod Vinayak Apshankar	00019869	Independent Director
6	Satchidanand Arun Ranade	03525423	Independent Director

#### Key Managerial Personnel:

In terms of Section 203 of the Act there were two Key Managerial Personnel (KMP) during the year, details are given below;

Sr. No	Name of the KMP	Designation
1	Sheela Kailash Dhawale	Chief Financial Officer
2	Bhavesh Subhash Selarka	Company Secretary and Compliance Officer

The remuneration and other details of the KMP for the FY 2020-21 are provided in the extract of the Annual Return which forms part of this Directors Report. There was no change in the Key Managerial Personnel.

#### INDEPENDENT DIRECTORS:

The Company has received declaration from all the Independent Directors confirming their independence as well as confirmation that:

- they meet the criteria of Independence prescribed under the Companies Act, 2013 and the Listing Regulations, and
- they have registered their names in Independent Directors' Databank.

During the period under review, Independent Directors met on March 01, 2021 without the presence of non-independent Directors, all the Independent Directors attended the meeting.

## BOARD PERFORMANCE EVALUATION:

In line with the provisions of the Companies Act, 2013 and SEBI Guidance Note on Board evaluation read with relevant provisions of the SEBI Listing Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual Directors. The Board evaluated the effectiveness of its functioning, that of the Committees and of individual directors, after taking feedback from the directors and committee members. The performance of the independent directors was evaluated by the entire Board except the person being evaluated. The performance evaluation of the Board and its constituents was conducted on the basis of functions, responsibilities, competencies, strategy, tone at the top, risk identification and its control, diversity, and nature of business.

A detailed discussion was held between the members of the Board covering various aspects of the Board's functioning, Board culture, execution and performance of specific duties, professional obligations and governance. The discussion was to judge knowledge of directors, their independence while taking business decisions; their participation in formulation of business plans; their constructive engagement with colleagues and understanding the risk profile of the company etc. In addition to the above, the Chairman of the Board and / or committee is evaluated on the basis of his leadership, coordination and steering skills.

## FAMILIARIZATION PROGRAM FOR THE BOARD MEMBERS:

All new Independent Directors ('IDs') inducted on the Board go through a structured orientation program. Executive Directors and Company Secretary makes presentations giving an overview of operations, to familiarize the new IDs with the Company's business operations. The new IDs are given an orientation on Company's product, corporate structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, role responsibilities, code of conduct of IDs and measure risk and risk management strategy. Visits to all manufacturing Plants are organized on the request of the IDs with an objective to enable them to understand the business better. The Board members are provided with the necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedure and practice. Periodic presentations are made at the Board Meetings, Board Committee Meetings and Independent Directors Meetings on business and overall performance updates of the Company, business strategy and risk involved.

## DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit and loss of the Company for the financial year ended on that date;

- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts of the Company on a going concern basis;
- e. the Directors have laid down Internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

### AUDITORS AND AUDITOR'S REPORT:

#### STATUTORY AUDITOR'S:

**M/S A D V & Associates, Chartered Accountants, (FRN: 128045W)**, were appointed as Auditors of the Company for a term of 5 (Five) consecutive years, at the AGM held on August 23, 2019. The Auditors have confirmed that they are not disqualified from continuing Auditors of the Company.

**M/S A D V & Associates, Chartered Accountants, (FRN: 128045W)** has audited the books of accounts of the Company for the financial year ended March 31, 2021 and has issued the Auditors' Report thereon. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do call for any further comments. There are no qualifications or reservations on adverse remarks or disclaimers in the said report.

#### SECRETARIAL AUDITOR:

The Board has appointed **Mr. Harsheet Jayesh Patel** Proprietor of **H. J. Patel and Co.,** Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the Financial Year 2020-21.

The Secretarial Audit Report for the financial year ended March 31, 2021 are annexed herewith and marked as **Annexure 'I'** with this report. The Secretarial Audit Report contains 3 qualification, reservation or adverse remarks or disclaimer as follows:

**Auditor Qualification 1->** The Company has re-appointed Managing Director and Whole-Time Director at Board Meeting dated 10<sup>th</sup> November, 2020 in compliance with the applicable provisions of the Act, but fails to file such Board Resolutions with the Registrar of Companies within prescribed time limit under e-Form MGT-14.

**Management Reply->** Due to some technical and administrative reasons, the Company failed to file the required e-form MGT-14 with Registrar of Companies within stipulated period, and the same was filed with the Registrar of Companies on July 03, 2021 and the applicable additional fees was also paid.

**Auditor Qualification 2->** The Company has availed two different credit facilities from SIEMENS FINANCIAL SERVICES PRIVATE LIMITED vide executed loan agreement dated 21<sup>st</sup> May, 2020; for which necessary approval of the Board was obtained on 25<sup>th</sup> May, 2020 i.e.; after execution of respective loan agreements.

**Management Reply->** The loan agreement for the credit facilities from Siemens Financial Services Private Limited was digitally signed on May 25, 2020 i.e.; only after obtaining Board approval, however the date of agreement mentioned in the draft agreement was May 21, 2020 and the same was not changed while executing between the parties.

**Auditor Qualification 3->** The Company has voluntarily submitted to the stock exchange an unaudited financial result for the period ended on 31<sup>st</sup> December, 2020 after obtaining approval of the Board of Directors on 13<sup>th</sup> February, 2021 and no such approval of Audit Committee was obtained.

**Management Reply->** Being a Listed Entity on SME Platform of Bombay Stock Exchange, the compliance related to the submission of quarterly financial result is not applicable, but with an intent to keep more transparency about financial result of the Company, the Board of Directors voluntarily decided to submit an unaudited financial result of the Company for the said period ended on December 31, 2020 to the designated stock exchange. Whereas during this period, there was an intermittent vacancy of members of the audit committee in the Company, considering the same, approval of Audit Committee was not possible to obtain, and the said unaudited financial result was intimated to the stock exchange only after obtaining approval of the Board of Directors on February 13, 2021; and in same Board Meeting, above said intermittent vacancy of Independent Directors was duly filled-up by the Board. In addition to above, with a good intent to keep the Audit Committee updated, such unaudited financial result for the period ended on December 31, 2020 was placed before the Audit Committee in their next meeting dated March 01, 2021 for kind review and noting.

#### **COST AUDITOR:**

During the period under review the provisions relating to the Cost Auditor appointment was not applicable to the Company.

#### **INTERNAL FINANCIAL CONTROL:**

Internal Financial Controls are an integral part of the management framework and processes that address financial and financial reporting risks. The key internal financial control has been documented, automated wherever possible and embedded in the respective business processes.

The management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Management reviews and control self-assessments.
- Safeguarding assets and their usage.
- Continuous control monitoring by the concern expert officials at team.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

Key elements of the Internal Control Systems are as follows:



- Existence of Authority Manuals and periodical updating of the same for all Functions.
- Existence of clearly defined organizational structure and authority.
- Existence of corporate policies for Financial Reporting and Accounting.
- Existence of Management information system updated from time to time as may be required.
- Existence of Annual Budgets and Long-Term Business Plans.
- Existence of Audit System.
- Periodical review of opportunities and risk factors depending on the Global / Domestic Scenario and to undertake measures as may be necessary.

The Company has an Auditor to ensure compliance and effectiveness of the Internal Control Systems in place.

The management is regularly reviewing the internal progress reports of the Company for performance review which carried out in all the key areas of the operations. Additionally, the management approves all the future plans and reports for significant issues raised by the Auditors. Regular reports on the business development, future plans and projections are given to the Board of Directors.

Periodical reports are regularly circulated for perusal of Board of Directors of the Company for the appropriate action as required.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The Compliance Report along with Declaration by the Management is annexed as [Annexure 'II'](#) and [Annexure 'III'](#) to this report.

### CORPORATE GOVERNANCE:

Corporate Governance is about maximizing the value and to ensure fairness to all its shareholders. Your Company is renowned for its exemplary governance standards and believes that sound corporate governance is critical to enhance and retain investor trust. Your Company ensures that performance is driven by integrity.

The Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have strengthened the governance regime in the country. The Board also exercises its fiduciary responsibilities in the widest sense of the term.

Your Company has in place all the statutory committees required under the law. Details of the Board Committees along with their terms of reference, composition and meeting of the Board and its Committees held during the year are provided in this Director's Report which is presented in a separate section forming part of this Report.

### MEETINGS OF THE BOARD:

The Board of Directors of your Company met 5 (five) times to review strategic, operational and financial performance of the company. All the directors actively participate in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time. The requisite quorum was present in all the meetings and the maximum interval between any two meetings did not exceed 120 days, as prescribed by The Companies Act, 2013.

The particulars of the meeting held and attended by each director are detailed below:

Sr. No	Date of Meeting	Board Strength	No. of Directors Present
1	May 25, 2020	6	4
2	July 10, 2020	6	6
3	August 17, 2020	6	6
4	November 10, 2020	6	6
5	February 13, 2021	3	3

The 25th Annual General Meeting (AGM) of the Company was held on September 18, 2020.

### DETAILS OF COMMITTEES OF THE BOARD:

As on March 31, 2021, the Board had 03 (Three) Committees namely:

1. The Audit Committee,
2. The Nomination and Remuneration Committee
3. The Stakeholders Relationship committee.

During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its committees is provided herewith.

#### A. AUDIT COMMITTEE:

During the year FY 2020-21 the Audit Committee comprises of Shashikant Bugde (Chairman), Pramod Apshankar and Sachin Vora. During the year, all the recommendations made by the Audit Committee were accepted by the Board.

During the period under review Audit Committee members met 4 (Four) times on June 30, 2020, August 17, 2020, November 10, 2020 and March 01, 2021. All the members of the Audit Committee have attended all the meetings.

In the Board meeting held on April 06, 2021 the audit committee was reconstituted upon resignation of Mr. Shashikant Bugde and appointment of Mr. Satchidanand Ranade thereto, and the new composition of Audit Committee is as follows.

Name of the Director	Category	Position in the Committee
Satchidanand Ranade	Independent Director	Chairman
Pramod Apshankar	Independent Director	Member
Sachin Vora	Chairman and Managing Director	Member

In addition to above Audit Committee composition The Company Secretary of the Company shall act as the Secretary to the Audit Committee.

The present constitution of the Audit Committee meets the requirements of the regulation 18 of the LODR and Section 177 of the Companies Act, 2013.

The Audit Committee Policy are available on the Company website (<http://www.krantiindustries.com/policies.html>)

#### **B. NOMINATION AND REMUNERATION COMMITTEE:**

During the year FY 2020-21 the Nomination and Remuneration Committee comprises Pramod Apshankar (Chairman), Shashikant Bugde and Prakash Kamat.

During the period under review, Nomination and Remuneration Committee members met 02 times on November 10, 2020 and November 20, 2020. All the members of the Committee have attended all the meetings.

In the Board meeting held on April 06, 2021 the Nomination and Remuneration committee was reconstituted upon resignation of Mr. Shashikant Bugde and appointment of Mr. Satchidanand Ranade thereto, and the new composition of Nomination and Remuneration committee is as follows.

Name of the Director	Category	Position in the Committee
Pramod Apshankar	Independent Director	Chairman
Satchidanand Ranade	Independent Director	Member
Prakash Kamat	Independent Director	Member

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the related rules made thereunder read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Hereinafter referred to as "SEBI Regulations"), the Board of Directors of the Company has constituted the Nomination and Remuneration Committee to perform such role as prescribed under the Companies Act, 2013 and SEBI Regulations.

The purpose of this committee is to screen and to review individuals qualified to serve as executive directors, non-executive directors and independent director, consistent with criteria approved by the Board of Directors, and to recommend, for approval by the Board of

Directors. It reviews and discusses all matters pertaining to candidates and evaluates the candidates. Such committee may also regularly evaluate the usefulness of such performance parameters and make necessary amendments.

The Nomination and Remuneration Policy are available on our website (<http://www.krantiindustries.com/policies.html>)

### **C. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee comprises of Pramod Apshankar (Chairman), Shashikant Bugde, Prakash Kamat, and Sachin Vora.

During the period under review, Stakeholders Relationship Committee members met on March 01, 2021 and all the members of the Committee have attended the meeting.

In the Board meeting held on April 06, 2021 the Stakeholders Relationship committee was reconstituted upon resignation of Mr. Shashikant Bugde and appointment of Mr. Satchidanand Ranade thereto, and the new composition of Stakeholders Relationship committee is as follows.

Name of the Director	Category	Position in the Committee
Pramod Apshankar	Independent Director	Chairman
Satchidanand Ranade	Independent Director	Member
Prakash Kamat	Independent Director	Member
Sachin Vora	Managing Director	Member

Bhavesh Selarka has been appointed as the Secretary to the Committee. Bhavesh Selarka, who is also the Compliance Officer and Company Secretary under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may be contacted at:

#### **KRANTI INDUSTRIES LIMITED**

At Gat No. 267/B/1, Post Pirangut,  
Taluka-Mulshi, District Pune- 412 115  
Tel (020) 66755676  
E-mail: [cs@krantiindustries.com](mailto:cs@krantiindustries.com)

No complaints were received during the year under review.

### **BOARD POLICIES:**

In addition to above, the Board has also adopted below mentioned policies:

- (a) Vigil Mechanism / Whistle Blower Policy
- (b) Code of Conduct for Directors and Senior Management
- (c) Code of Conduct for Independent Directors
- (d) Insider Trading Policy
- (e) Code of Fair Disclosure of Unpublished Price Sensitive Information

- (f) Policy for Determination of Materiality
- (g) Policy on Materiality of Related Party Transactions
- (h) Nomination and Remuneration Policy
- (i) Risk Management Policy

All above named policies and codes are available on our website ([www.krantiindustries.com](http://www.krantiindustries.com))

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The management of your Company would like to share the highlights of its performance review on the conservation of energy, technology absorption, foreign exchange earnings and outgo, as below:

### A. CONSERVATION OF ENERGY/ RESOURCES:

Company has continuously striving towards improving the energy conservation measures in all areas. Company ensures strict compliance with all the statutory requirements and has taken several sustainable steps voluntarily to contribute towards better environment.

#### Steps taken or impact on conservation of energy:

The Company has considered and implemented various processes for conservation of energy like,

1. Only energy efficient LED lights are being purchased for new installation and replacements at all units.
2. Reducing compressed air losses by arresting leakages e.t.c.
3. Installation of high efficiency compressed air dryers.
4. Installation of Capacitor Panel with Harmonic Filters at load side to improve power factor and reduce losses.

#### Steps taken by the Company for utilizing alternate sources of energy:

The Company has installed a roof top Solar system of around 125 KW capacity, under BOOT model wherein we have signed a Power Purchase Agreement with the developer company for our captive consumption. Further, installing the rooftop solar energy for electricity generation have been more beneficial as the Units charges is economical as compared to state electricity board.

#### Capital investment on energy conservation equipment's:

The Company makes every possible effort to save the energy thus it used secondary sources to reduce daily consumption of electricity like genset, the plot of the company is such that it receives abundant of sunlight and nature air circulation. The usage of electricity is for machining purposes which also under severe observation to avoid unnecessary wastage or leakage of supplied power.

#### Water Management:

The Company with persistent efforts to conserve rainwater, wherein we have a system in which we collect the rainwater from the roof of our company and get stored in an underground water tank having capacity of around 30000 ltrs.



### Waste Management:

The Company has strived to ensure reuse, recycling and responsible disposal of waste by adopting a suitable method.

### Health, safety and environment:

The Company has committed to providing a safe and healthy working environment to our employees, contractors and achieving high standards of environmental protection.

During the year under review the company has ZERO accidents or Fatalities in the premises of company.

### B. TECHNOLOGY ABSORPTION:

Company is committed towards technology driven innovation and lays strong emphasis in inculcating driven culture within the organization.

The Company has best of operating machines and highly precisions equipment for production and quality management also the Company has hired the optimal of quality team who dedicates their full enthusiasm and work tirelessly for delivering best quality and services. The team along with state-of-the-art quality equipment's as necessary for the Machine Shop.

The Company is all well equipped with its current quality control machining and will modify itself for any future advancement.

### C. FOREIGN EXCHANGE EARNINGS & OUTGO:

Foreign Exchange Earnings during the year under review is Export Sales of Rs. 13.14 Lakh and net Foreign Exchange Earning of Rs. 0.05 Lakh.

Foreign Exchange Outgo during the year is given below (In Rs. Lakh)

Particulars	As on March 31, 2021	As on March 31, 2020
Spares for Repairs	0.00	0.00
Travelling Expense	0.00	0.64
Advance for Capital Goods & Material	0.00	2.00
Packaging Material	0.35	0.00

Value of Imports calculated on CIF Basis:

Particulars	As on March 31, 2021	As on March 31, 2020
Capital Goods	0.76	559.20
Raw Material	2.04	0.00

## PARTICULARS OF REMUNERATION OF DIRECTORS AND CERTAIN SPECIFIED EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees), Rules 1975, the ratio of remuneration of each Director to the median of the employees' remuneration, a statement containing the names of employees in terms of remuneration drawn is furnished in [Annexure 'IV'](#).

In terms of the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 there are no employees drawing remuneration in excess of the limits set out in the said rules.

## EXTRACT OF THE ANNUAL RETURN:

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in prescribed [Form MGT-9](#) is enclosed as [Annexure 'V'](#) to this Report.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statement provided in this Annual Report.

During the year under review, the Company has provided Corporate Guarantee to Kotak Mahindra Bank Limited on behalf of its subsidiary company namely Wonder Precision Private Limited.

## POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and separate its functions of governance and management. The Board of the Company consists of 06 (Six) Members, including 03 (Three) Independent Directors; 01 (One) Non-Executive Woman Director, and 02 (Two) Executive Directors (including 1 Chairman & Managing Director as well as 1 Whole-Time Director)

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES (RPT):

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed [Form AOC-2](#), is appended as [Annexure 'VI'](#) to the Board's Report.

## RISK MANAGEMENT SYSTEM:

The Company has a robust risk management framework comprising risk governance structure and defined risk management processes. The risk governance structure of the Company is a formal organization structure with defined roles and responsibilities for risk management.

The processes and practices of risk management of the Company encompass risk identification, classification, and evaluation. The Company identifies all strategic, operational, and financial risks that the Company faces, by assessing and analyzing the latest trends in risk information available internally and externally and using the same to plan for risk activities.

Pursuant to Section 134 (3) (n) of the Companies Act, 2013, a Risk Management Policy has been framed by the Board at its meeting dated May 30, 2016. In terms of the requirement of the Act, the Board has developed and implemented the Risk Management Policy and the Board reviews the same periodically.

Our senior management teams review the risks faced by the Company and monitor the development and deployment of risk mitigation action plans and the status is updated to the members of the Audit Committee and the Board of Directors on regular basis.

This Policy seeks to minimize the adverse impact of these risks, thus enabling the Company to control market opportunities effectively and enhance its long-term competitive advantage. Several risks can impact the achievement of a particular business objective. Similarly, a single risk can also impact the achievement of several business objectives.

The focus of risk management is to assess risks and deploy mitigation measures. This is done through periodic review of the risk and strategy of the Board.

During the last financial year, the Company's risk management practices were primarily focuses on the effectiveness of strategic programs in improving our competitive position which provides unique place to the Company in today's competitive business world, our good team of employees and professionals always prepared to address any incidents that may cause business disruptions to our physical and technological model, strengthening internal control to detect fraudulent activity, leadership development and monitoring possible impact of changes in our regulatory environment.

The Risk Management Policy, inter alia, includes identification therein of elements of risk, including Cyber Security and related risks as well as those risks which in the opinion of the Board may threaten the existence of the Company. The Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. The Company has made a comprehensive approach to risk management, fully integrating risk management with strategic, financial and customer management so that goals and responsibilities are aligned across the Company.

The Board manages risk systematically across the entire enterprise as well as at the business and transaction level. This comprehensive approach is designed to ensure that risk-based decision-making is appropriate at all levels of the organization.

## STATE OF COMPANY'S AFFAIRS:

Discussion on state of Company's affairs has been covered as part of the Management Discussion and Analysis (MDA). MDA for the year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of the Annual Report. In this we have attempted to include discussion on all the specified matters to the extent relevant or within limits that in our opinion are imposed by the Company's own competitive position.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Pursuant to Regulation 34(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **The Management Discussion and Analysis** Report are presented as **Annexure 'VII'** of this Report.

## VIGIL MECHANISM:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. Under the policy, the Directors and Employees are free to report any violation of the applicable laws and regulations and the code of conduct of the Company. The reportable matters are to be disclosed to the Audit Committee.

During the year under review, the Company has not received any complaints under the said mechanism.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company is committed to creating and maintaining a secure work environment where its employees, agents, vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation. To empower women and protect women against sexual harassment, and as per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, a policy for prevention of sexual harassment had been made and Internal Complaints Committee had been set up. This policy allows employees to report sexual harassment at the workplace. The Internal Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines. To build awareness in this regard, the Company has been conducting various programme on a continuous basis.

During the year under review, there were no such cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY:

During the period under review there have been noticed the material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report which is listed as below:

**Bonus Issue :** The Board of Directors at their meeting held on April 06, 2021 have recommended Bonus Issue of 17,60,400 equity shares of face value Rs. 10/- Each, a sum of Rs. 1,76,04,000/- (Rs. One Crore Seventy Six Lakh Four Thousand Only/-) being capitalized out of free reserves and / or security premium account and being distributed amongst the equity shareholders in the proportion of 1:5 i.e. one new equity share for every five existing equity shares held by Member(s) on the record date. Further, bonus issue was approved by the Members in an Extra-Ordinary General Meeting of the Company held on May 07, 2021.

The Company has completed the allotment of bonus equity shares on June 17, 2021 and have received Listing and Trading Approval from the Designated Stock exchange i.e BSE Ltd. on June 24, 2021, but due to delay in completion of Bonus Issue and allotment process beyond prescribed time limit of 60 days stipulated under regulation 295 of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, the Company was fined with Rs. 4,00,000/- (Rs. Four Lac only/-) by BSE Ltd.

After taking into consideration the effect of bonus issue, the Issued and Paid-up Equity Share capital of the Company increased to Rs.10,56,24,000/- (Rupees Ten Crore Fifty Six Lacs and Twenty Four Thousand only) divided into 1,05,62,400 shares of Rs 10/- each.

### DETAILS OF SUBSIDIARIES & ASSOCIATE:

The Company is having a Subsidiary Company whose details are given below, in addition to this there is one Associate Companies (AC) of our Company:

Name of the Entity	Nature	Date on becoming a subsidiary	Date of cessation of subsidiary
WONDER PRECISION PRIVATE LIMITED	Subsidiary	31 <sup>st</sup> March, 2013	-
KRANTI SFCI PRIVATE LIMITED	Associate	17 <sup>th</sup> December 2018	-

Details of Subsidiary and Associate Company in **FORM AOC-1** is annexed as **Annexure 'VIII'** to Board's Report

### SECRETARIAL STANDARDS:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.



### GREEN INITIATIVE:

In compliance with the Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Annual Report 2020-21, the Notice of the 26<sup>th</sup> AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).

We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to contact their respective DP and register their email addresses with their respective depository participants, as per the process advised by their respective DP.

### GENERAL DISCLOSURES:

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There has been no change in the nature of business of the Company.
- The Company has taken adequate insurance to cover the risks to its employees, property (land and buildings), plant, equipment, other assets and third parties.

### E-VOTING/BALLOT VOTING

In terms of requirements of the Companies Act, 2013 and the relevant rules made thereunder, the Company has provided 'remote e-voting' (e-voting from a place other than venue of the AGM) facility through Link intime India Pvt. Ltd., for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 26<sup>th</sup> Annual General Meeting (AGM) of the Company.

### GENERAL SHAREHOLDERS INFORMATION:

26 <sup>th</sup> Annual General Meeting of Kranti Industries Limited	
Date	Tuesday August 10, 2021
Time	03.30 PM onwards
Mode	Video Conferencing or Other Audio- Visual Means
Venue	At Gat No. 267/B/1, Post Pirangut, Taluka Mulshi, District- Pune-412115
Financial Year Reported	April 1, 2020 to March 31, 2021
Cut-Off date for Notice	July 09, 2021

<b>Cut-Off date for AGM</b>	August 03, 2021
<b>Date of Book Closure</b>	August 03, 2021 to August 10,2021
<b>E-voting Period</b>	August 07, 2021 09.00 AM to August 09, 2021 05.00 PM
<b>Event Code for AGM and E-voting</b>	210135
<b>Stock Code</b>	245459
<b>ISIN</b>	911T01010
<b>CIN</b>	L29299PN1995PLC095016

### CAUTIONARY STATEMENT:

Statements in this “Management Discussion & Analysis” which seek to describe the Company’s objectives, projections, estimates, expectations or predictions may be considered to be “forward looking statements” within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include global and Indian demand-supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the company’s markets, changes in the government regulations, tax regimes, economic developments within India and countries with which the company conducts business besides other factors, such as litigation and other labour negotiations.

### ACKNOWLEDGEMENT:

The directors express their gratitude to customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the commitment and contribution made by the employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, cooperation and support.

We thank the Government of India, the State Governments and statutory authorities and other government agencies for their support and look forward to their continued support in the future.

**For and on Behalf of Board of Directors  
KRANTI INDUSTRIES LIMITED**

Sd/-

**SACHIN VORA**  
DIN: 02002468  
CHAIRMAN & MANAGING DIRECTOR  
Date : July 09, 2021  
PLACE: PUNE

Sd/-

**SUMIT VORA**  
DIN: 02002416  
EXECUTIVE DIRECTOR

# Secretarial Audit Report

## Annexure I

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To,  
**The Members,**  
**KRANTI INDUSTRIES LIMITED**  
Gat No. 267/B/1, At Post Pirangut  
Tal. Mulshi, Pune - 412115  
Maharashtra, India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kranti Industries Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2021 ('Audit Period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31<sup>st</sup> March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, if any.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Guidelines, 2014 **(Not Applicable to the Company during the Audit Period)**;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I have also examined compliance with the applicable clauses of the following:

- (I) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
- (II) Listing Agreements entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above, except to the extent as mentioned below:

1. *The Company has re-appointed Managing Director and Whole-Time Director at Board Meeting dated 10<sup>th</sup> November, 2020 in compliance with the applicable provisions of the Act, but fails to file such Board Resolutions with the Registrar of Companies within prescribed time limit under e-Form MGT-14.*
2. *The Company has availed two different credit facilities from SIEMENS FINANCIAL SERVICES PRIVATE LIMITED vide executed loan agreement dated 21<sup>st</sup> May, 2020; for which necessary approval of the Board was obtained on 25<sup>th</sup> May, 2020 i.e.; after execution of respective loan agreements.*
3. *The Company has voluntarily submitted to the stock exchange an unaudited financial result for the period ended on 31<sup>st</sup> December, 2020 after obtaining approval of the Board of Directors on 13<sup>th</sup> February, 2021 and no such approval of Audit Committee was obtained.*

I further report that, there are no such specific laws applicable to the Company.

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

During the audit process, we observed that there was intermittent vacancy of an independent directors in the Company from 30<sup>th</sup> November, 2020 till 12<sup>th</sup> February, 2021, which were duly

filled-up by the Board at the immediate next Board meeting held on 13<sup>th</sup> February, 2021, in compliance with the applicable provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For H. J. Patel & Co.  
Company Secretaries

Sd/-

Place: Pune  
Date: 07<sup>th</sup> July, 2021

Harsheet J. Patel  
Proprietor  
FCS No. 7948, CP No. 8433  
UDIN: F007948C000591036

Note: This Report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.



## Annexure to the Secretarial Audit Report

To,  
The Members,  
**KRANTI INDUSTRIES LIMITED**  
Gat No. 267/B/1, At Post Pirangut  
Tal. Mulshi, Pune - 412115  
Maharashtra, India

My report of even date is to be read along with this letter:

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

For H. J. Patel & Co.  
Company Secretaries

Sd/-

Place: Pune  
Date: 07<sup>th</sup> July, 2021

Harsheet J. Patel  
Proprietor  
FCS No. 7948, CP No. 8433  
UDIN: F007948C000591036

# Compliance Report

## Annexure II

### COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members,  
Kranti Industries Limited  
Gat No. 267/B/1, at Post- Pirangut,  
Taluka- Mulshi, District- Pune- 412115.

Sub : Compliance Certificate under Regulation 17(8) read with Part B of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that for the financial year ended March 31, 2021:

1. We have reviewed Financial Statement and the Cash Flow Statement for the year as aforesaid to the best of our knowledge and belief.
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any of which we are aware and the and steps we have taken or propose take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit committee that:
  - a. There have been no significant changes in internal control over financial reporting during the year.
  - b. There have been no significant changes in accounting polices during the year and
  - c. There have been no instances of significant fraud of which we have become aware and the involvement there in if any of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Kranti Industries Limited

Sd/-  
Sachin Vora  
Chairman & Managing Director  
Date: July 09, 2021

Sd/-  
Sheela Dhawale  
Chief Financial Officer

# Declaration by MD

## Annexure III

DECLARATION BY MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V TO THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

The Members,  
Kranti Industries Limited  
Gat No. 267/B/1, at Post- Pirangut,  
Taluka- Mulshi, District- Pune- 412115.

Sub : Declaration regarding compliance with the Company's Code of Conduct for Directors and Employees.

I, **Sachin Subhash Vora Chairman cum Managing Director of Kranti Industries Limited** hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for Directors and Employees of the Company.

For and on Behalf of Board of Directors  
KRANTI INDUSTRIES LIMITED

Sd/-  
Sachin Vora  
DIN: 02002468  
(Chairman & Managing Director)  
Date : July 09, 2021

## Disclosure under Sec 197

## Annexure IV

Disclosures as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the Financial Year.

Sr. No	Name of the Director	Designation	Ratio of Remuneration of each Director to Median Remuneration of Employees
1.	Indubala S. Vora	Non-Executive Director**	0.09:1
2.	Sachin S. Vora	Chairman & Managing Director *	5.92:1
3.	Sumit S. Vora	Executive Director *	5.93:1
4.	Shashikant V. Bugde	Independent Director**	0.09:1
5.	Prakash V. Kamat	Independent Director **	0.09:1
6.	Pramod V. Apshankar	Independent Director **	0.09:1

\* The remuneration includes wages, salary to on roll employees and Directors and variable pay to Executive Directors.

\*\*Non- Executive Directors Remuneration represents only sitting Fees.

2. The percentage increase / (decrease) in remuneration of each Director and Key Managerial Person if any, in the financial year.

Sr. No	Name of the Director	Designation	Percentage of Increase / Decrease in Remuneration
1.	Sachin S. Vora	Chairman & Managing Director	-27.4%
2.	Sumit S. Vora	Executive Director	-27.2%
3.	Sheela K. Dhawale	Chief Financial Officer	7.2%
4.	Bhavesh S. Selarka	Compliance Officer & Company Secretary	-11.0%
5.	Median Employee	Executive - Accounts	1.10%
6.	Indubala Vora	Non-Executive Director	0.00%
7.	Prakash Kamat	Independent Director	0.00%
8.	Pramod Apshankar	Independent Director	0.00%
9.	Shashikant Bugde	Independent Director	0.00%

REQUIREMENTS	DISCLOSURE
The percentage increase in the median remuneration of employees in the financial year.	-0.09%
The number of permanent employees on the rolls of the Company.	150 employees as at March 31, 2021.
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the	There has been increase in average remuneration of the employees other than managerial personnel by 1.66 % and

managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	average managerial remuneration has decreased by (20.28 ) %
Affirmation that the remuneration is as per the Remuneration policy of the Company.	It is affirmed that the remuneration paid is as per the Remuneration Policy applicable for Directors, Key Managerial Personnel, and other employees, adopted by the Company

**3. Information as per Rule 5 (2) of chapter XIII: Companies (Appointment of Remuneration of Managerial Personnel) Rules: 2014 : as amended**

Name	Mr. Sachin S Vora	Mr. Sumit S Vora
Designation	Chairman & Managing Director	Executive Director
Education	BE in Industrial Electronics	Diploma in Mechanical Engineering
Age	40	37
Experience	20+	19+
Date of joining	01-04-2002	01-01-2003
Gross Remuneration	16,94,852.00	16,97,929.00
No of Equity Shares Held	16,26,000	15,45,030
Relative of Director / Manager	Elder Brother of Director- Mr Sumit Vora and son of Mrs Indubala Vora & Founder Mr Subhash Vora.	Younger Brother of CMD- Mr Sachin Vora and son of Mrs Indubala Vora & Founder Mr Subhash Vora.
Previous employment	Kranti Industries Pvt Ltd.	Kranti Industries Pvt Ltd.

**4. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company**

Sr. No	Name of the KMP	Remuneration	Total Revenue	% to Total Revenue
1	SHEELA DHAWALE	10,93,247.00	54,90,85,000	0.17%
2	BHAVESH SELARKA	4,63,308.00	54,90,85,000	0.08%

For and on Behalf of Board of Directors  
KRANTI INDUSTRIES LIMITED

Sd/-  
SACHIN VORA  
DIN: 02002468  
CHAIRMAN & MANAGING DIRECTOR  
DATE : July 09, 2021

Sd/-  
SUMIT VORA  
DIN: 02002416  
EXECUTIVE DIRECTOR



# Form No. MGT-9

## Annexure V

### FORM NO. MGT-9

#### EXTRACT OF ANNUAL RETURN

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]

#### I. REGISTRATION & OTHER DETAILS:

Sr.No.	Particulars	Details
1	CIN	L29299PN1995PLC095016
2	Registration Date	05 December 1995
3	Name of the Company	KRANTI INDUSTRIES LIMITED
4	Category/Sub-category of the Company	Public Listed Company
5	Address of the Registered office & contact details	Gat No.267/B/1, At Post Pirangut, Tal. Mulshi, Pune - 412115, Maharashtra, India <b>Contact Details: Tel.:</b> 020-66755676; <b>Email:</b> <a href="mailto:investor@krantiindustries.com">investor@krantiindustries.com</a>
6	Whether listed company	<b>Yes</b>
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt. Ltd. CIN : U67190MH1999PTC118368 Address: C 101, 247 Park, LBS Marg, Vikhroli West Mumbai- 400 083. Tel No. +91 22 4918 6000 Fax:+91 22 4918 6060 Email: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	MANUFACTURE OF MACHINERY AND EQUIPMENT N.E.C.	29	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No	Name & Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	<b>Wonder Precision Private Limited</b> Regd Add: J-63, MIDC, Bhosari, Pune 411 026, Maharashtra, India)	U27109PN1986PTC039913	<b>Subsidiary Company</b>	97	<b>Section 2 (87)</b>
2	<b>Kranti SFCI Private Limited</b> (Regd Add: G.I.D.C. Plot No. 105 Vill: Bamanbore, Taluka: Chotila Surendranagar GJ 360003	U29113GJ2018PTC105630	<b>Associates Company</b>	30	<b>Section 2 (6)</b>

**IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)**
**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2020]				No. of Shares held at the end of the year* [As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	64,58,330	-	64,58,330	73.37%	65,27,330	-	65,27,330	74.16%	<b>0.79%</b>
b) Central Govt				0.00%				0.00%	
c) State Govt(s)				0.00%				0.00%	
d) Bodies Corp.				0.00%				0.00%	
e) Banks / FI				0.00%				0.00%	
f) Any other				0.00%				0.00%	
<b>Sub Total (A) (1)</b>	<b>64,58,330</b>	<b>-</b>	<b>64,58,330</b>	<b>73.37%</b>	<b>65,27,330</b>	<b>-</b>	<b>65,27,330</b>	<b>74.16%</b>	<b>0.79%</b>
(2) <b>Foreign</b>									
a) NRI Individuals				0.00%				0.00%	
b) Other Individuals				0.00%				0.00%	
c) Bodies Corp.				0.00%				0.00%	
d) Any other				0.00%				0.00%	
<b>Sub Total (A) (2)</b>				<b>0.00%</b>				<b>0.00%</b>	
<b>TOTAL (A)</b>	<b>64,58,330</b>	<b>-</b>	<b>64,58,330</b>	<b>73.37%</b>	<b>65,27,330</b>	<b>-</b>	<b>65,27,330</b>	<b>74.16%</b>	<b>0.78%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds				0.00%				0.00%	
b) Banks / FI				0.00%				0.00%	

c) Central Govt				0.00%				0.00%	
d) State Govt(s)				0.00%				0.00%	
e) Venture Capital Funds				0.00%				0.00%	
f) Insurance Companies				0.00%				0.00%	
g) FIIs				0.00%				0.00%	
h) Foreign Venture Capital Funds				0.00%				0.00%	
i) Others (specify)				0.00%				0.00%	
<b>Sub-total (B)(1):-</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	69,000		69,000	0.78%	69,000		69,000	0.78%	
ii) Overseas				0.00%				0.00%	
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0.00		0.00	0.00%	0.00		0.00	0.00%	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	14,82,670		14,82,670	16.84%	14,55,670		14,55,670	16.54%	-0.30%
c) Others (specify)									
Non Resident Indians	3,000		3,000	0.00%	3,000		3,000	0.03%	0.00%
Overseas Corporate Bodies	0.00		0.00	0.00%	0.00		0.00	0.00%	
Foreign Nationals	0.00		0.00	0.00%	0.00		0.00	0.00%	
Clearing Members	6,93,000		6,93,000	7.87%	6,51,000		6,51,000	7.40%	-0.47%
Trusts / HUF	96,000		96,000	1.09%	96,000		96,000	1.09%	0.00%
Foreign Bodies - D R	0.00		0.00	0.00%	0.00		0.00	0.00%	
<b>Sub-total (B)(2):-</b>	<b>23,43,670</b>	<b>-</b>	<b>23,43,670</b>	<b>26.63%</b>	<b>22,74,670</b>	<b>-</b>	<b>22,74,670</b>	<b>25.84%</b>	<b>-0.78%</b>
<b>Total Public (B)</b>	<b>23,43,670</b>	<b>-</b>	<b>23,43,670</b>	<b>26.63%</b>	<b>22,74,670</b>	<b>-</b>	<b>22,74,670</b>	<b>25.84%</b>	<b>-0.78%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00%</b>				<b>0.00%</b>	
<b>Grand Total (A+B+C)</b>	<b>88,02,000</b>	<b>-</b>	<b>88,02,000</b>	<b>100.0%</b>	<b>88,02,000</b>	<b>-</b>	<b>88,02,000</b>	<b>100.0%</b>	

**ii. (a) Share Holding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	SMT. INDUBALA SUBHASH VORA	16,98,700	19.30	0	17,22,700	19.57	0	0.27%
2	MR. SACHIN SUBHASH VORA	16,02,000	18.20	0	16,26,000	18.47	0	0.27%
3	MR. SUMIT SUBHASH VORA	15,39,030	17.49	0	15,45,030	17.55	0	0.06%
	<b>Total</b>	<b>48,39,730</b>	<b>54.98</b>		<b>48,93,730</b>	<b>55.59</b>		<b>0.61%</b>

**(b) Share Holding of Promoter Group**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Tejraj Chhogmalji Rathod	30	0.00	0	30	0.00	0	0.00
2	Vijay Kundanmal Vora	30	0.00	0	30	0.00	0	0.00
3	Sangita H Mehta	40	0.00	0	40	0.00	0	0.00
4	Kavita Vinod Jain	90,000	1.02	0	90,000	1.02	0	0.00
5	Lushita Sumeet Vora	1,24,500	1.41	0	1,33,500	1.52	0	0.11
6	Lodha Rekha Kirtikumar	1,65,000	1.87	0	1,65,000	1.87	0	0.00
7	Sarika Sachin Vora	1,86,000	2.11	0	1,86,000	2.11	0	0.00
8	Basanti Kundanmal Vora	1,83,000	2.08	0	1,83,000	2.08	0	0.00
9	Sachin Subhash Vora (Huf)	2,47,500	2.81	0	2,50,500	2.85	0	0.04
10	Sumeet Subhash Vora (Huf)	2,47,500	2.81	0	2,50,500	2.85	0	0.04
11	Gadiya Sapna Sunil	3,75,000	4.26	0	3,75,000	4.26	0	0.00
	<b>Total</b>	<b>16,18,600</b>	<b>18.39</b>	<b>0</b>	<b>16,33,600</b>	<b>18.56</b>	<b>0</b>	<b>0.17</b>

## iii. (a) Change in Promoters Share Holding (please specify if there is no change)

Sr. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>SMT. INDUBALA SUBHASH VORA</b>						
	At the beginning of the year	-	-	16,98,700	19.30		
	Changes during the year	-	Purchase	24,000	0.27	17,22,700	19.57
	At the end of the year*			17,22,700	19.57	17,22,700	19.57
<b>2</b>	<b>MR. SACHIN SUBHASH VORA</b>						
	At the beginning of the year	-	-	16,02,000	18.20		
	Changes during the year	-	Purchase	24,000	0.27	16,26,000	18.47
	At the end of the year*			16,26,000	18.47	16,26,000	18.47
<b>3</b>	<b>MR. SUMIT SUBHASH VORA</b>						
	At the beginning of the year	-	-	15,39,030	17.49		
	Changes during the year	-	Purchase	6,000	0.07	15,45,030	17.55
	At the end of the year*			15,45,030	17.55	15,45,030	17.55



## (b) Change in Promoter Group Share Holding (please specify if there is no change)

Sr. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>MRS. LUSHITA SUMEET VORA</b>						
	At the beginning of the year	-	-	1,24,500	1.41		
	Changes during the year	-	Purchase	9,000	0.10	1,33,500	1.52
	At the end of the year*			1,33,500	1.52	1,33,500	1.52
<b>2</b>	<b>SACHIN SUBHASH VORA (HUF)</b>						
	At the beginning of the year	-	-	2,47,500	2.81		
	Changes during the year	-	Purchase	3,000	0.04	2,50,500	2.85
	At the end of the year*			2,50,500	2.85	2,50,500	2.85
<b>3</b>	<b>SUMEET SUBHASH VORA (HUF)</b>						
	At the beginning of the year	-	-	2,47,500	2.81		
	Changes during the year	-	Purchase	3,000	0.04	2,50,500	2.85
	At the end of the year*			2,50,500	2.85	2,50,500	2.85

## iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>SMC GLOBAL SECURITIES LIMITED</b>						
	At the beginning of the year	-	-	6,93,000	7.87		
	Changes during the year		Sale	51,000		6,42,000	7.29
	At the end of the year			6,42,000	7.29	6,12,000	7.29
<b>2</b>	<b>YOGESH CHAUDHARY</b>						
	At the beginning of the year	-	-	1,68,000	1.91		
	Changes during the year		Purchase	21,000		1,89,000	2.15
	At the end of the year		-	1,89,000	2.15	1,89,000	2.15

<b>3</b>	<b>SUNILKUMAR SATYANARAYAN AGARWAL</b>						
	At the beginning of the year	-	-	1,44,000	1.64		
	Changes during the year			-			
	At the end of the year			1,44,000	1.64	1,44,000	1.64
<b>4</b>	<b>BHARAT KUMAR KANKARIYA (HUF)</b>						
	At the beginning of the year	-	-	87,000	0.99		
	Changes during the year					87,000	0.99
	At the end of the year			87,000	0.99	87,000	0.99
<b>5</b>	<b>PARESH HASTIMAL MEHTA</b>						
	At the beginning of the year	-	-	75,210	0.85		
	Changes during the year			-		75,210	0.85
	At the end of the year			75,210	0.85	75,210	0.85
<b>6</b>	<b>SWASTUSH CONSULTING PRIVATE LIMITED</b>						
	At the beginning of the year	-	-	69,000	0.78		
	Changes during the year	-				69,000	0.78
	At the end of the year		-	69,000	0.78	69,000	0.78
<b>7</b>	<b>RUSHIKESH S GANDHI</b>						
	At the beginning of the year	-	-	63,000	0.72		
	Changes during the year	-		-		63,000	0.72
	At the end of the year			63,000	0.72	63,000	0.72
<b>8</b>	<b>POORVI LODHA</b>						
	At the beginning of the year	-	-	0.00	0.00		
	Changes during the year		Purchase	45,000		45,000	0.51
	At the end of the year		-	45,000	0.51	45,000	0.51
<b>9</b>	<b>RATANBEN RAMESHKUMAR JAIN</b>						
	At the beginning of the year	-	-	0.00	0.00		
	Changes during the year		Purchase	30,000		30,000	0.34
	At the end of the year		-	30,000	0.34	30,000	0.34
<b>10</b>	<b>RAMNIKAL G KOTECHA</b>						
	At the beginning of the year	-	-	30,000	0.34		
	Changes during the year					30,000	0.34
	At the end of the year		-	30,000	0.34	30,000	0.34

## v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>SMT. INDUBALA SUBHASH VORA</b>						
	At the beginning of the year	-	-	16,98,700	19.30		
	Changes during the year	-	Purchase	24,000	0.27	17,22,700	19.57
	At the end of the year			17,22,700	19.57	17,22,700	19.57
<b>2</b>	<b>MR. SACHIN SUBHASH VORA</b>						
	At the beginning of the year	-	-	16,02,000	18.20		
	Changes during the year		Purchase	24,000	0.27	16,26,000	18.47
	At the end of the year			16,26,000	18.47	16,26,000	18.47
<b>3</b>	<b>MR. SUMIT SUBHASH VORA</b>						
	At the beginning of the year	-	-	15,39,030	17.49		
	Changes during the year		Purchase	6,000	0.07	15,45,030	17.55
	At the end of the year		-	15,45,030	17.55	15,45,030	17.55
<b>4</b>	<b>MRS. SHEELA KAILASH DHAWALE</b>						
	At the beginning of the year	-	-	280	0.02		
	Changes during the year					280	0.02
	At the end of the year		-	280	0.00	280	0.00

**V. INDEBTNESS (Indebtedness of the Company including interest outstanding / accrued but not due for payment.)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	16,58,49,243.23	4,05,00,000.00	-	20,63,49,243.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>16,58,49,243.23</b>	<b>4,05,00,000.00</b>	<b>-</b>	<b>20,63,49,243.23</b>
<b>Change in Indebtness during the financial year</b>				
* Addition	5,71,35,180.02	-	-	5,71,35,180.02
* Reduction	2,60,16,900.51	25,00,000	-	2,85,16,900.51
<b>Net Change</b>	<b>3,11,18,279.51</b>	<b>-25,00,000</b>	<b>-</b>	<b>2,86,18,279.51</b>
<b>Indebtness at the end of the financial year</b>				
i) Principal Amount	19,69,67,522.74	3,80,00,000	-	23,49,67,522.74
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>19,69,67,522.74</b>	<b>3,80,00,000</b>	<b>-</b>	<b>23,49,67,522.74</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- a. Remuneration to Managing Director, Whole-time Directors and/or Manager and/or Directors:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager/Directors		
		Mr. Sachin Subhash Vora	Mr. Sumit Subhash Vora	
	<b>Designation</b>	<b>Managing Director</b>	<b>Whole Time Director</b>	<b>Total Amount</b>
	Gross salary	16,94,852.00	16,97,929.00	33,92,781.00
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
	Commission	-	-	-
4	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, (Interest income)	-	-	-
	<b>Total (A)</b>	<b>16,94,852.00</b>	<b>16,97,929.00</b>	<b>33,92,781.00</b>
	Ceiling as per the Act	Within the prescribed limit mentioned under Schedule V of the Act		

## b. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total
		Mr. Pramod Vinayak Apshankar	Mr. Shashikant Vishnupant Bugde	Mr. Prakash Vasant Kamat	Mrs Indubala Vora	
1	Independent Directors Fee for attending board /committee meetings	- 25,000.00	- -	- 25,000.00	- -	- 50,000.00
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>25,000.00</b>	<b>-</b>	<b>25,000.00</b>	<b>-</b>	<b>50,000.00</b>
2	Other Non-Executive Directors Fee for attending board committee meetings	- -	- -	- -	- 25,000.00	- 25,000.00
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000.00</b>
	<b>Total (B)=(1+2)</b>	<b>25,000.00</b>	<b>-</b>	<b>25,000.00</b>	<b>25,000.00</b>	<b>75,000.00</b>
	<b>Total Managerial Remuneration Overall Ceiling as per the Act</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,000.00</b>

## c. Remuneration to Key Managerial Personnel

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		
		Mrs. Shila Kailash Dhawale	Mr Bhavesh Selarka	Total Amount
1	<b>Designation</b>	<b>CFO</b>	<b>CS</b>	
	Gross salary	10,93,247.00	4,63,308.00	15,56,555.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others	-	-	-
	<b>Total</b>	<b>10,93,247.00</b>	<b>4,63,308.00</b>	<b>15,56,555.00</b>



## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding			NIL		
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding			NIL		

For and on Behalf of Board of Directors  
KRANTI INDUSTRIES LIMITED

Sd/-

SACHIN VORA  
DIN: 02002468  
CHAIRMAN & MANAGING DIRECTOR  
DATE : July 09, 2021

Sd/-

SUMIT VORA  
DIN: 02002416  
EXECUTIVE DIRECTOR

# Form No. AOC-2

## Annexure VI

### FORM NO. AOC-2

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

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

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

The Company has not entered in any transaction during the FY 2019-20 which are not at arm's length basis.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis for the financial year ended MARCH 31, 2021 is as follows:

Name of Related Party	WONDER PRECISION PRIVATE LIMITED	KRANTI SFCI PRIVATE LIMITED
Nature of Relationship	Subsidiary Company	Associate Company
Nature of contracts/ arrangements/ transactions	Contract for sale, purchase, and/or supply of goods, material and/ or supply of services.	There are No contracts entered during the year
Duration of contracts/ arrangements/ transactions	on-going	on-going
Salient terms of the contracts or arrangements or transactions including the value if any	The transactions are entered into ordinary course of business. Purchase of material or job work charges for ₹ 59.28 Lakh during the year	There are No contracts entered during the year
Date of approval by the Board/ Members if any	February 26, 2019	February 26, 2019
Amount paid as advance if any	NIL	NIL

For and on Behalf of Board of Directors  
KRANTI INDUSTRIES LIMITED

Sd/-

SACHIN VORA  
DIN: 02002468  
CHAIRMAN & MANAGING DIRECTOR  
DATE: July 09, 2021

Sd/-

SUMIT VORA  
DIN: 02002416  
EXECUTIVE DIRECTOR

**MANAGEMENT DISCUSSION AND ANALYSIS**

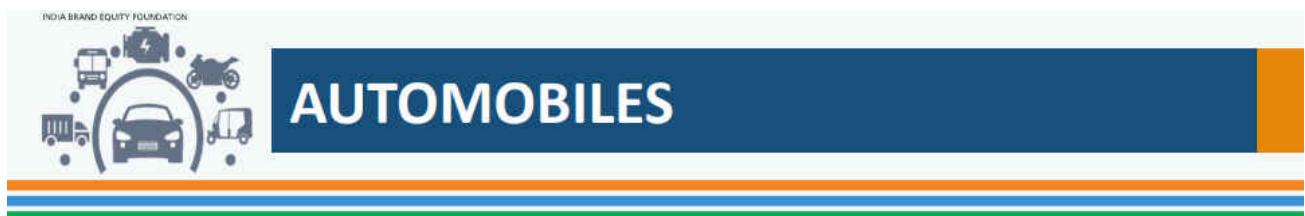
**INDIAN AUTOCOMPONENT INDUSTRY**

Over the period between FY16 to FY20, automotive components industry registered a CAGR of 6%, reaching US\$ 49.3 billion in FY20, with exports growing at a CAGR of 7.6% during FY16-FY20 to reach US\$ 14.5 billion in FY20. The auto components industry accounted for 2.3% of India’s Gross Domestic Product (GDP) and 25% to its manufacturing GDP, providing employment to 50 lakh people in 2018-19.

As per Automobile Component Manufacturers Association (ACMA), automobile component export from India is expected to reach US\$ 80 billion by 2026. The Indian auto component industry aims to achieve US\$ 200 billion in revenue by 2026. Turnover of the automotive components industry stood at Rs.1.19 lakh crore (US\$ 15.9 billion) from April to September 2020, registering a decline of 34% over the first half of the previous year.

India was the world's fourth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2019. Indian automotive industry (including component manufacturing) is expected to reach between Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. Indian automobile industry (Includes automobiles and auto components) received Foreign Direct Investment (FDI) worth US\$ 25.39 billion between April 2000 and December 2020.

**INDIAN AUTOMOTIVE INDUSTRY**



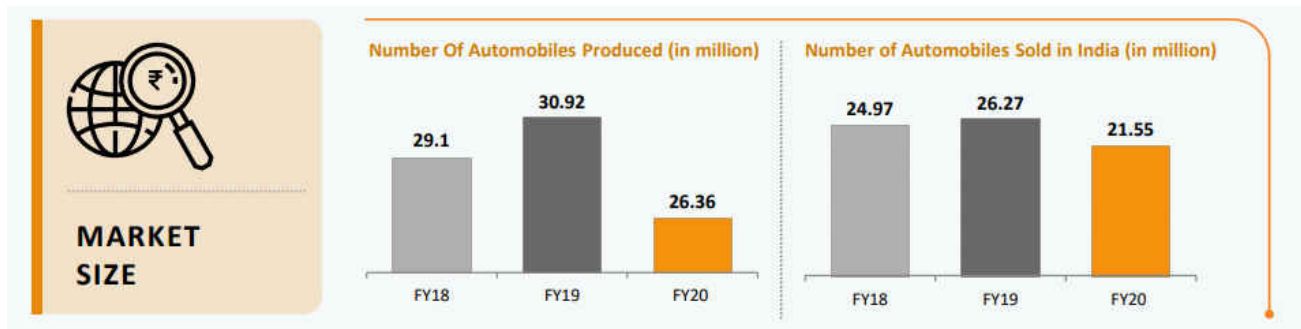
**Introduction**

In 2020, India was the fifth-largest auto market, with ~3.49 million units combined sold in the passenger and commercial vehicles categories. It was the seventh largest manufacturer of commercial vehicles in 2019.

The two wheelers segment dominate the market in terms of volume owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India and major automobile players in the Indian market is expected to make India a leader in the two-wheeler and four-wheeler market in the world by 2020.

## Market Size



Domestic automobiles production increased at 2.36% CAGR between FY16-20 with 26.36 million vehicles being manufactured in the country in FY20. Overall, domestic automobiles sales increased at 1.29% CAGR between FY16-FY20 with 21.55 million vehicles being sold in FY20.

Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 80.8% and 12.9% market share, respectively, accounting for a combined sale of over 20.1 million vehicles in FY20. Two-wheeler sales stood at 1,195,445 units in March 2021, compared with 1,846,613 units in March 2020, recording a decline of 35.26 %.

Passenger vehicle (PV) sales stood at 279,745 units in March 2021, compared with 2,17,879 units in March 2020, registering a growth of 28.39%.

As per Federation of Automobile Dealers Associations (FADA), PV sales in December 2020 stood at 271,249 units, compared with 218,775 units in December 2019, registering a 23.99% growth.

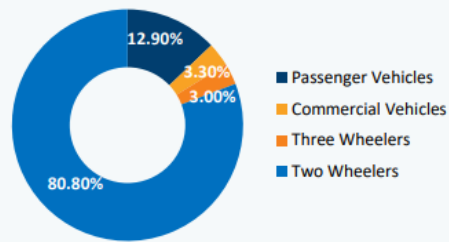
Overall, automobile export reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94% during FY16-FY20. Two wheelers made up 73.9% of the vehicles exported, followed by passenger vehicles at 14.2%, three wheelers at 10.5% and commercial vehicles at 1.3%.

EV sales, excluding E-rickshaws, in India witnessed a growth of 20% and reached 1.56 lakh units in FY20 driven by two wheelers. According to NITI Aayog and Rocky Mountain Institute (RMI) India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) in 2030. A report by India Energy Storage Alliance estimated that EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, projection for EV battery market is forecast to expand at a CAGR of 30% during the same period.



## SECTOR COMPOSITION

Share Of Each Segment In Total Production Volume (FY20)



## Investments

In order to keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months. The industry has attracted Foreign Direct Investment (FDI) worth US\$ 25.40 billion between April 2000 and December 2020, according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- In 2019-20, the total passenger vehicles sales reached ~2.8 million, while ~2.7 million units were sold in FY21.
- In February 2021, the Delhi government started the process to set up 100 vehicle battery charging points across the state to push adoption of electric vehicles.
- In January 2021, Fiat Chrysler Automobiles (FCA) announced an investment of US\$ 250 million to expand its local product line-up in India.
- A cumulative investment of ~Rs. 12.5 trillion (US\$180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's electric vehicle (EV) ambitions.
- In January 2021, Lamborghini announced it is aiming to achieve sales in India higher than the 2019-levels, after recovering from pandemic-induced disruptions.
- In January 2021, Tesla, the electric car maker, set up a R&D centre in Bengaluru and registered its subsidiary as Tesla India Motors and Energy Private Limited.
- In November 2020, Mercedes Benz partnered with the State Bank of India to provide attractive interest rates, while expanding customer base by reaching out to potential HNI customers of the bank.
- Hyundai Motor India invested ~Rs. 3,500 crore (US\$ 500 million) in FY20, with an eye to gain the market share. This investment is a part of Rs. 7,000 crore (US\$ 993 million) commitment made by the company to the Tamil Nadu government in 2019.
- In October 2020, Kinetic Green, an electric vehicles manufacturer, announced plan to set up a manufacturing facility for electric golf carts besides a battery swapping unit in Andhra Pradesh. The two projects involving setting up a manufacturing facility for electric golf carts and a battery swapping unit will entail an investment of Rs. 1,750 crore (US\$ 236.27 million).
- In October 2020, Japan Bank for International Cooperation (JBIC) agreed to provide US\$ 1 billion (Rs. 7,400 crore) to SBI (State Bank of India) for funding the

manufacturing and sales business of suppliers and dealers of Japanese automobile manufacturers and providing auto loans for the purchase of Japanese automobiles in India.

- In October 2020, MG Motors announced its interest in investing Rs. 1,000 crore (US\$ 135.3 million) to launch new models and expand operations in spite of the anti-China sentiments.
- In October 2020, Ultraviolet Automotive, a manufacturer of electric motorcycle in India, raised a disclosed amount in a series B investment from GoFrugal Technologies, a software company.
- In September 2020, Toyota Kirloskar Motors announced investments of more than Rs 2,000 crore (US\$ 272.81 million) in India directed towards electric components and technology for domestic customers and exports.
- During early September 2020, Mahindra & Mahindra signed a MoU with Israel-based REE Automotive to collaborate and develop commercial electric vehicles.
- In April 2020, TVS Motor Company bought UK's iconic sporting motorcycle brand, Norton, for a sum of about Rs. 153 crore (US\$ 21.89 million), making its entry into the top end (above 850cc) segment of the superbike market.
- In March 2020, Lithium Urban Technologies partnered with renewable energy solutions provider, Fourth Partner Energy, to build charging infrastructure across the country.
- In January 2020, Tata AutoComp Systems, the auto-components arm of Tata Group entered a joint venture with Beijing-based Prestolite Electric to enter the electric vehicle (EV) components market.

## Government Initiatives



The Government of India encourages foreign investment in the automobile sector and has allowed 100% foreign direct investment (FDI) under the automatic route.

Some of the recent initiatives taken by the Government of India are -

- In Union Budget 2021-22, the government introduced the voluntary vehicle scrappage policy, which is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads.
- In February 2021, the Delhi government started the process to set up 100 vehicle battery charging points across the state to push adoption of electric vehicles.
- The Union Cabinet outlaid Rs. 57,042 crore (US\$ 7.81 billion) for automobiles & auto components sector in production-linked incentive (PLI) scheme under the Department of Heavy Industries.



- The Government aims to develop India as a global manufacturing centre and a Research and Development (R&D) hub.
- Under NATRiP, the Government of India is planning to set up R&D centres at a total cost of US\$ 388.5 million to enable the industry to be on par with global standards.
- The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of EVs in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The Government will also set up incubation centre for start-ups working in the EVs space.
- In February 2019, the Government of India approved FAME-II scheme with a fund requirement of Rs. 10,000 crore (US\$ 1.39 billion) for FY20-22.

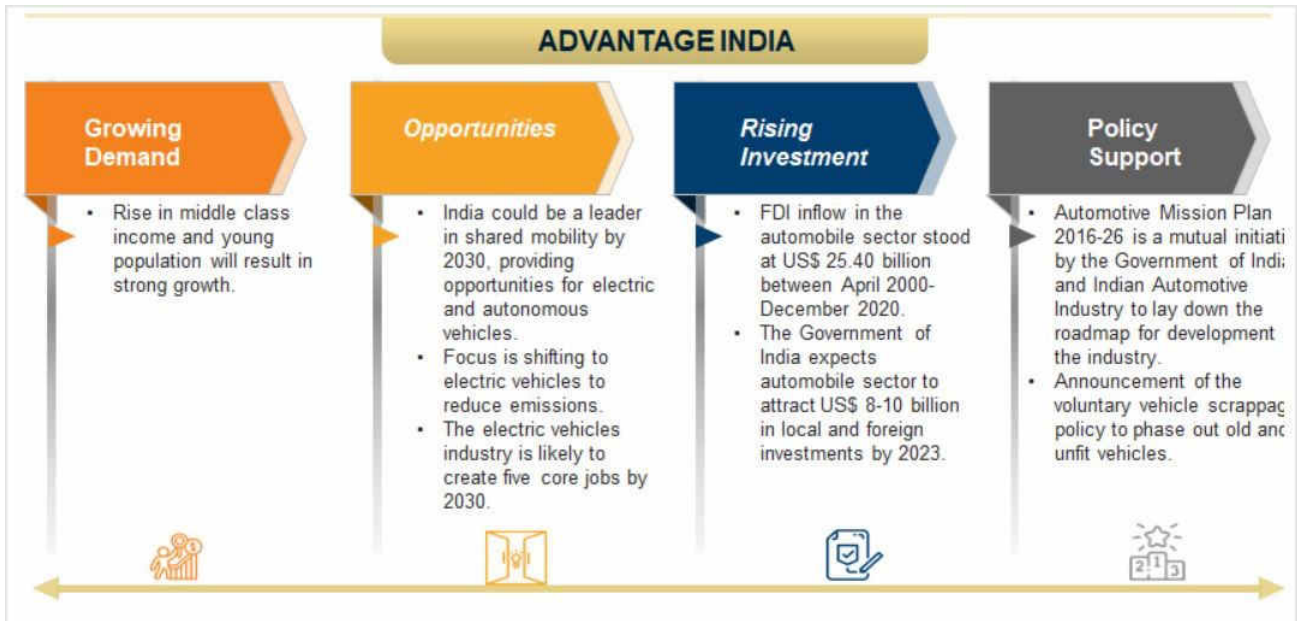
## Achievements

Following are the achievements of the Indian automotive sector:

- In H1 2019, automobile manufacturers invested US\$ 501 million in India's auto-tech start-ups according to Venture intelligence.
- Investment flow into EV start-ups in 2019 (till end of November) increased nearly 170% to reach US\$ 397 million.
- On 29th July 2019, Inter-ministerial panel sanctioned 5,645 electric buses for 65 cities.
- NATRiP's proposal for "Grant-In-Aid for test facility infrastructure for EV performance Certification from NATRIP Implementation Society" under the FAME Scheme was approved by Project Implementation and Sanctioning Committee (PISC) on 3rd January 2019.
- Under NATRiP, following testing and research centres have been established in the country since 2015.
  - International Centre for Automotive Technology (ICAT), Manesar
  - National Institute for Automotive Inspection, Maintenance & Training (NIAIMT), Silchar
  - National Automotive Testing Tracks (NATRAX), Indore
  - Automotive Research Association of India (ARAI), Pune
  - Global Automotive Research Centre (GARC), Chennai
- SAMARTH Udyog - Industry 4.0 centres: 'Demo cum experience' centres are being set up in the country for promoting smart and advanced manufacturing helping SMEs to implement Industry 4.0 (automation and data exchange in manufacturing technology).

## Road Ahead

The automobile industry is supported by various factors such as availability of skilled labour at low cost, robust R&D centres, and low-cost steel production. The industry also provides great opportunities for investment and direct and indirect employment to skilled and unskilled labour.



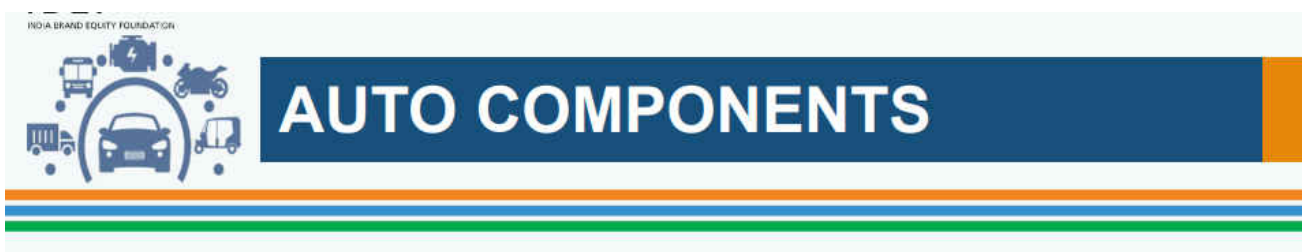
Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.

The Indian auto industry is expected to record strong growth in 2021-22, post recovering from effects of COVID-19 pandemic. Electric vehicles, especially two-wheelers, are likely to witness positive sales in 2021-22.

A study by CEEW Centre for Energy Finance recognised US\$ 206 billion opportunity for electric vehicles in India by 2030.

*References: International Organization of Motor Vehicle Manufacturers, Media Reports, Press Releases, Department for Promotion of Industry and Internal Trade (DPIIT), Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM), Union Budget 2021-22*

## INDIAN AUTOCOMPONENT INDUSTRY



### Introduction

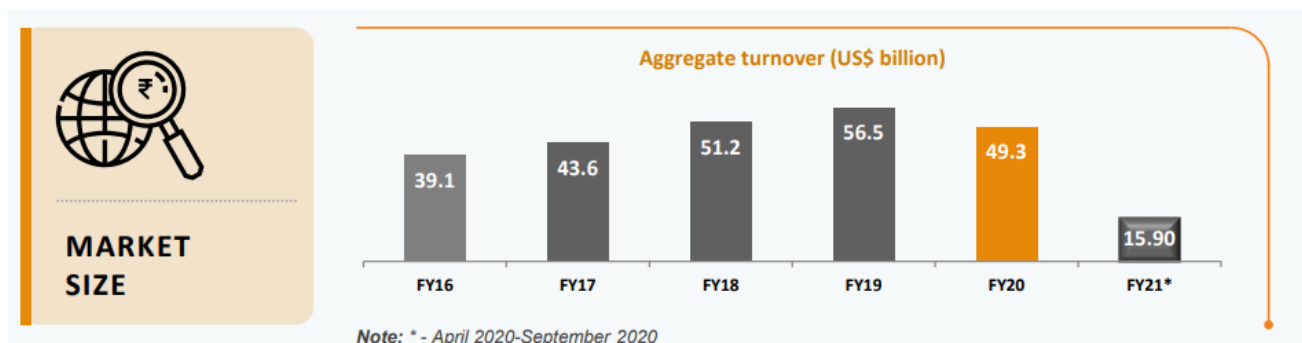
The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 6% over FY16 to FY20 to reach US\$ 49.3 billion in FY20. The industry is expected to reach US\$ 200 billion by FY26. Auto-components industry account for 2.3% of India’s Gross Domestic Product (GDP) and employs as many as 1.5 million people directly and indirectly. A stable government

framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment.

### Market Size

The industry can be broadly classified into organised and unorganised sectors. The organised sector caters to original equipment manufacturers (OEMs) and consist of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category.

Automobile component industry's revenue stood at US\$ 49.3 billion in FY20, up from US\$ 39.05 billion in FY16 and is expected to reach US\$ 200 billion by FY26. Export of auto components grew at a CAGR of 7.6% to reach Rs. 102,623 crore (US\$ 14.5 billion) during the same time. As per Automobile Component Manufacturers Association (ACMA), automobile components export from India is expected to reach US\$ 80 billion by 2026. The Indian auto components industry is expected to reach US\$ 200 billion in revenue by 2026.



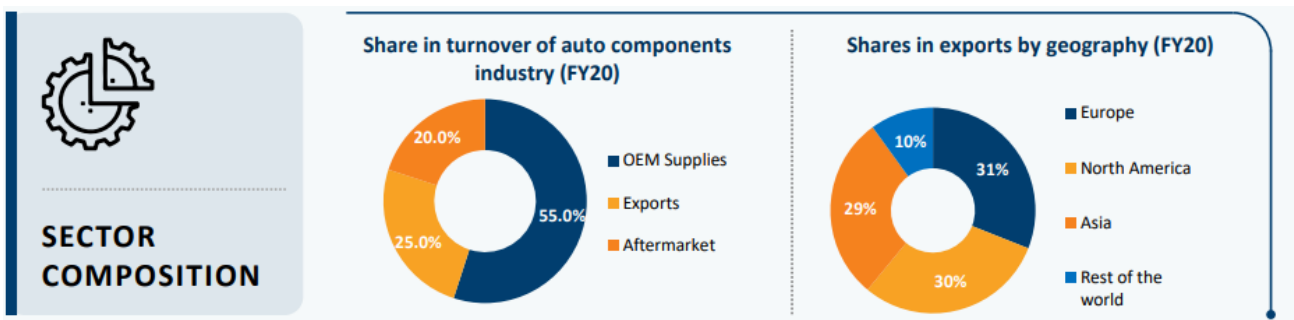
### Investments

The Foreign Direct Investment (FDI) inflow into Indian automotive\* industry during the period April 2000-December 2020 stood at US\$ 25.39 billion as per the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the recent investments made/planned in the Indian auto components sector is as follows:

- In March 2021, the government announced to offer fresh incentives to companies making electric vehicles (EVs) as part of a broad auto sector scheme. The scheme is expected to attract US\$ 14 billion of investment in the next five years.
- In February 2021, Vedanta Resources launched its newest product—aluminium cylinder head alloy, a crucial raw material for manufacturing cylinder heads and other automotive components.
- A cumulative investment of ~Rs. 12.5 trillion (US\$ 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's electric vehicle (EV) ambitions. This is likely to boost the demand of auto components from local manufacturers.
- In January 2021, Suzuki Motor Corp. and Hyundai Motor Co. announced plans to explore ways to make India a key global hub for sourcing components and facilitate sharp rise in vehicle exports from the country.

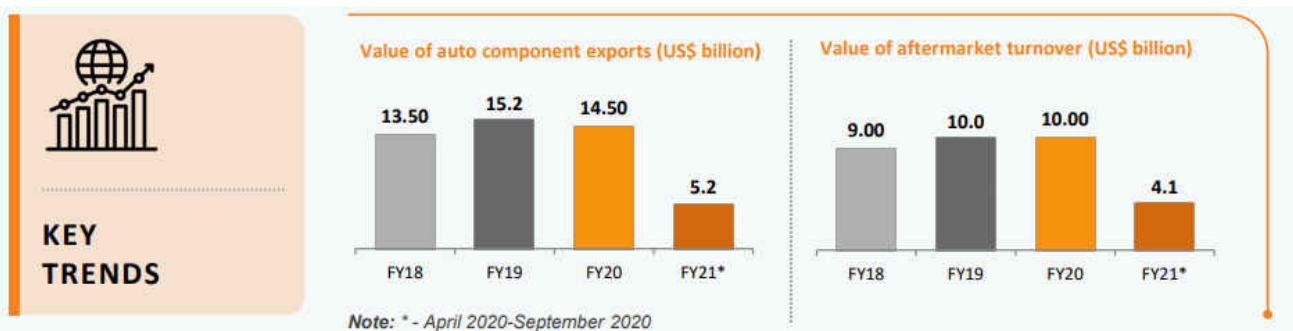
- In January 2021, French battery system supplier Forsee Power committed to invest Rs. 82 crore (US\$ 11.18 million) in phase 1 of the India project.
- In October 2020, Japan Bank for International Cooperation (JBIC) agreed to provide US\$ 1 billion (Rs. 7,400 crore) to SBI (State Bank of India) for funding the manufacturing and sales business of suppliers and dealers of Japanese automobile manufacturers as well as providing auto loans for the purchase of Japanese automobiles in India.
- In October 2020, the government of Tamil Nadu signed 14 memorandum of understandings (MoU) worth Rs. 10,055 crore (US\$ 1.4 billion) that will generate 69,712 jobs in the state.
- In September 2020, off-highway tyre-maker Alliance Tire Group (ATG), owned by the Japanese major Yokohama Group, announced plans to set up its third plant in the country in Visakhapatnam, with an investment of US\$ 165 million (Rs. 1,240 crore). The proposed plant will add over 20,000 tonnes per annum (55 tonnes per day rubber weight) capacity to the 2.3-lakh-tonne annual production from two India plants and will be commissioned by the first quarter of 2023.
- In September 2020, Toyota Kirloskar Motors announced investments of Rs. 2,000+ (US\$ 272.81 million) aimed towards electric components and technology.
- In February 2020, National Engineering Industries Ltd (NEIL) announced investment of Rs. 100 crore (US\$ 14.31 million) over the next three years for producing needle roller bearing at its Jaipur facility.
- In January 2020, Tata AutoComp Systems entered a joint venture (JV) with Beijing-based Prestolite Electric to enter the electric vehicle (EV) components market.
- In October 2019, Minda Industries acquired Germany-based automotive lamps firm Delvis GmbH along with two of its subsidiaries for Rs. 164 crore (US\$ 23.47 million).
- In August 2019, Eaton partnered with Pune-headquartered technology firm KPIT.
- In April 2019, Durr, a German automotive painting and sealing company, entered a partnership with Patvin to provide automated painting solutions for two or three wheelers and agricultural machinery for the Indian markets.
- As of January 2019, Lite Auto Components Pvt Ltd, a part of Hindustan Magnesium Products Pvt Ltd, planned to invest Rs. 500 crore (US\$ 69.30 million) to set up Magnesium-based manufacturing plant in Andhra Pradesh.



## Achievements

Following are Government's achievements in the past four years:

- Production of two wheelers, passenger vehicles, commercial vehicles and three wheelers reached 21.03 million, 3.43 million, 0.75 million, and 1.13 million, respectively, in FY20.
- FAME - India Scheme formulated by Department of Heavy Industry, led to a continuous increase in registered OEMs and vehicle models. Also, the scheme enhanced the sales of EVs and about 261,507 electric/hybrid vehicles were supported under the scheme up to December 6, 2018. In February 2019, the Government approved FAME-II scheme with a fund requirement of Rs. 10,000 crore (US\$ 1.39 billion) for FY20-22.
- Under National Automotive Testing and research and development (R&D) Infrastructure Project (NATRiP), various facilities including passive safety labs comprising of crash core facility and crash instrumentations including dummies were established at ICAT-Manesar and ARAI-Pune.
- To give a fresh thrust to E-mobility in public transport, Department of Heavy Industry announced the launch of public and shared mobility based on electric powertrain.



### Government Initiatives



The Government of India’s Automotive Mission Plan (AMP) 2006-2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US\$ 74 billion.

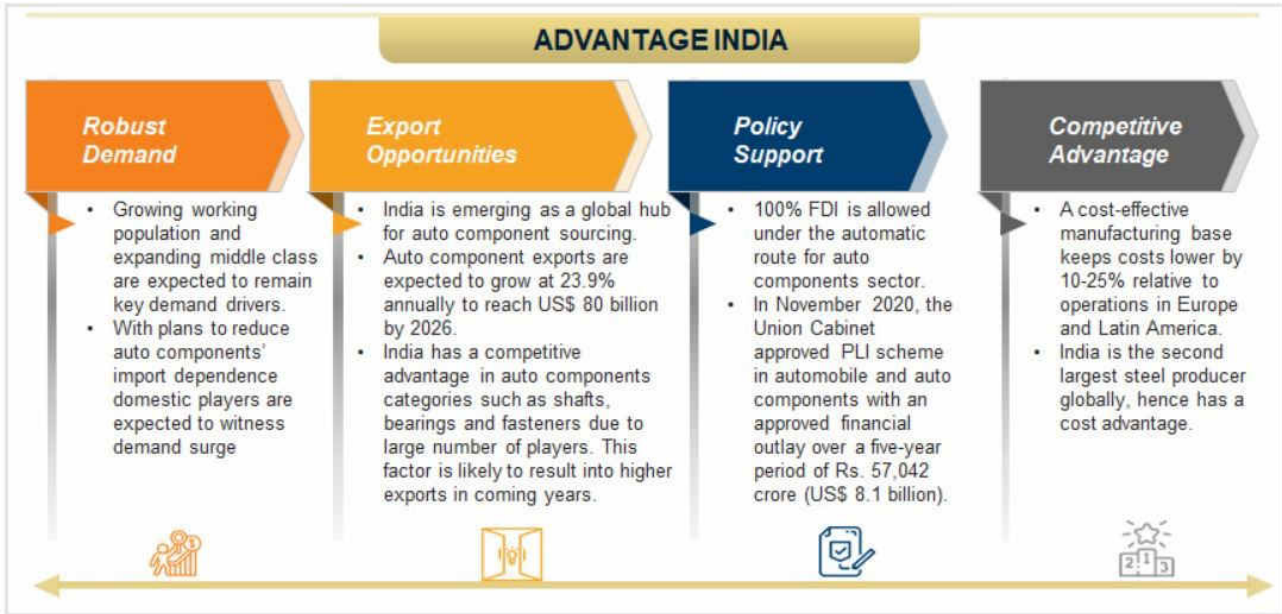
In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (US\$ 8.1 billion)

Government has come out with Automotive Mission Plan (AMP) 2016-26 which will help the automotive industry to grow and will benefit Indian economy in the following ways: -

- Contribution of auto industry in the country’s GDP will rise to over 12%.
- Around 65 million incremental number of direct and indirect jobs will be created.
- End of life Policy will be implemented for old vehicles.



## Road Ahead



The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable mode of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D.

As per ACMA forecasts, automobile component export from India is expected to reach US\$ 80 billion by 2026. With shift in global supply chains, the Indian global automotive component trade is likely to expand at ~4-5% by 2026.

In December 2020, Power PSU JV EESL announced plan to install ~500 electric vehicle (EV) charging stations in the country in fiscal 2020-21.

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as export potential could be increased by up to US\$ 30 billion by 2021E.

*References: International Organization of Motor Vehicle Manufacturers, Media Reports, Press Releases, Department for Promotion of Industry and Internal Trade (DPIIT), Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM)*

*Note: Conversion rate used in February 2020, Rs. 1 = US\$ 0.01357*

## The effect of covid-19 on our business

Covid-19 has disrupted the demand and supply chain across the country and globe. Auto-component industry is not an exception to this. The State/Central Govt. enforced the lockdown on 20<sup>th</sup> March 2020. Subsequently partial relaxation were released by the Govt. of India and State Govt. of Maharashtra on 01<sup>st</sup> May 2020 and accordingly the manufacturing operations restored with partial operations from 3<sup>rd</sup> May 2020 onwards and we were back to

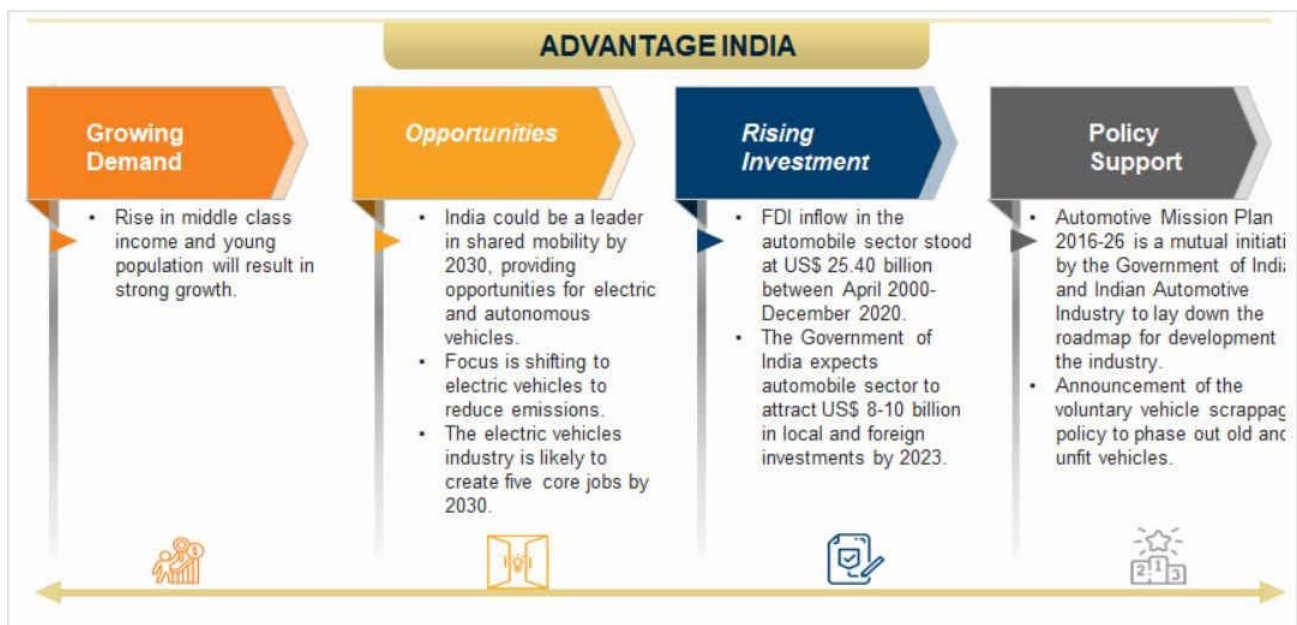


normalcy from August onwards by adhering SOP prescribed by Govt. time to time. After a slow start in H1 of 2020 due to pandemic, H2 was relatively better.

During the unlock phase, there were numerous measures undertaken to ramp up India’s fiscal spending. A favorable monetary policy by the Government of India ensured the abundant availability of liquidity and brought immediate relief to debtors.

India recognized the impacts of the pandemic both on the supply and demand in the economy. The government rolled out a slew of reforms to ensure that the supply-side disruptions, which were inevitable during the lockdown, are minimized to a great extent in the long run. The demand-side policy focused on ensuring that all essential commodities were taken care of, which included direct benefit transfers to the vulnerable segments of the society and the world’s largest food subsidy program targeting 80.96 crore beneficiaries. The Government of India also launched Emergency Credit Line Guarantee Scheme to provide much needed relief to stressed sectors by helping entities sustain employment and meet liabilities.

With good monsoon and various reforms in the agriculture sector by Government of India, this sector is expected to grow in double digit. Also the growth in infrastructure is expected to give an exponential growth in off highway vehicles and construction equipment. Our strategical concentration in these sectors of automobile industry will give us advantage in future growth.



# Form No. AOC-1

## Annexure VIII

Statement containing the salient features of the Financial Statements of Subsidiaries / Associate Companies / Joint Ventures  
(Pursuant to Section 129(3) of the Companies Act 2013, read with Rules of the Companies (Accounts) Rules 2014)

### Part A - Subsidiary Companies of Kranti Industries Limited.

**(Information in respect of each subsidiary to be presented with amounts in Rs.)**

Particulars	Name of Subsidiary
Name of the Subsidiary	WONDER PRECISION PRIVATE LIMITED
Reporting period for the subsidiary concerned, if Different from the Holding Company's reporting period.	March 31, 2021
Reporting currency and Exchange rates on the last date of the relevant Financial year in the case of Foreign Subsidiaries	Not applicable
Share capital	₹1,00,000/-
Reserves and Surplus	₹ (61,43,701.92)
Total Assets	₹ 3,03,46,346.27
Total Liabilities	₹ 3,03,46,346.27
Investments	₹ 0.00
Turnover	₹ 2,31,70,279.76
Profit before taxation	₹ 12,79,378.30
Provision for taxation	₹ 85,786.66
Proposed Dividend	NIL
% of shareholding	97%

**Part- B- Associates and Joint Venture Companies of Kranti Industries Limited**  
(Statement Pursuant to section 129(3) of The Companies Act, 2013 related to Associate Companies and Joint Ventures)

Name of the Associates	KRANTI SFCI PRIVATE LIMITED
Latest Audited Balance Sheet Date	31 <sup>st</sup> March,2020
Shares of Associate/Joint Ventures held by the company on the year end	
a) No. of shares	1,50,000
b) Amount of Investment in Associates/Joint Venture	₹ 15,00,000
c) Extend of Holding%	30%
Description of how there is significant influence	Due to percentage (%) of Share Capital
Reason why the associate/joint venture is not consolidated	Considered in Consolidation as per Equity Method
Net worth attributable to Shareholding as per latest audited Balance Sheet	₹ (3,48,302.04)
Profit/ Loss for the year (attributed to Shareholding)	₹ (26,38,413.42)
Considered in Consolidation	Yes
Not Considered in Consolidation	NA

For and on behalf of Board of Directors

**KRANTI INDUSTRIES LIMITED**

Sd/-

Sachin Vora

Chairman & Managing Director

DIN-02002468

Place: Pune

Sd/-

Sumit Vora

Executive Director

DIN-02002416

Sd/-

Sheela Dhawale

CFO

Sd/-

Bhavesh Selarka

CS

Date July 09, 2021

# **Standalone Financial Statements**

**Independent Auditor's  
Report and Notes to  
Accounts  
for  
Financial Year 2020-21**

# INDEPENDENT AUDITOR'S REPORT

## Independent Auditor's Report on Standalone Financials

To

The Members of Kranti Industries Limited

**Report on the Audit of the Standalone Financial Statements:**

### Opinion

We have audited the accompanying Standalone Financial Statements of Kranti Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and its cash flows for the year ended on that date.

### Basis for opinion

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

### Emphasis of Matter

We draw your attention to Note no 2.5 to these financial statement, which describe the Management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable value of its property, plant and equipment and the net realizable value of other assets. Based on information available as of the date, Management believes that no further adjustments are required to the financial statements. However, in view of the highly uncertain economic impacting the automotive industry, a

definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual result may differ from those estimated as at the date of approval of these financial statements.

Our opinion is not modified in respect of the above matters.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	KEY AUDIT MATTER
1	<p><b>Revenue Recognition</b> (refer Note 2.11 related to Revenue)</p> <p>We focused on this area as a key audit matter due to the risk of incorrect timing of revenue recognition and estimation related to recording the discount and rebates. According to the financial statement’ accounting principles revenue is recognized at a point in time when the control of the goods is transferred to the customer according to delivery terms. Due to variation of contractual sales terms and practices across the market and the pressure, the management may feel to achieve performance targets, there is a risk of material error.</p> <p><b>Auditor’s Response</b></p> <p>To address this risk of material misstatement relating to revenue recognition, our audit procedures included:</p> <ul style="list-style-type: none"> <li>- Assessing the compliance of company’s revenue recognition policies with applicable accounting standards, including those related to discounts and rebates.</li> <li>- Assessing the adequacy of relevant disclosures.</li> </ul>

### Other Information

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Standalone Financial Statements and our auditor’s report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is



materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures

responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of The Standalone Financial Statements

of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on MARCH 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on MARCH 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "[Annexure A](#)". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company does not have any pending litigation which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.
2. As required by the Companies (Auditor's Report) Order, 2016 ("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 A D V & Associates**  
**Chartered Accountants**  
**Firm Registration number: 128045W**

**Sd/-**  
**Ankit Rathi**  
**Partner**  
**Membership number: 162441**  
**UDIN: 21162441AAAAC13629**  
**Place: Mumbai**  
**Date :04<sup>th</sup> June, 2021**

## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Kranti Industries Limited of even date)

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

We have audited the internal financial controls over financial reporting of Kranti Industries Limited (“the Company”) as of MARCH 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 internal financial controls over financial reporting 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at MARCH 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A D V & Associates  
Chartered Accountants  
Firm Registration number: 128045W

Sd/-  
Ankit Rathi  
Partner  
Membership number: 162441  
UDIN: 21162441AAAACI3629  
Place: Mumbai  
Date :04<sup>th</sup> June, 2021



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

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Kranti Industries Limited of even date)

- 1) In case of the Company’s Fixed Assets:
  - (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- 2) The Company has a program of verification to cover all the items of inventories in a phased manner which, in our opinion, is reasonable having regard to the size of the Company. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- 3) The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at MARCH 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 6) We have broadly reviewed the books of accounts maintained by the Company in respect of products where pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of

the Act. We are of the opinion, that prima facie the prescribed accounts and records have been maintained by the Company. The contents of these accounts and records have not been examined by us.

- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has generally been regular in depositing undisputed statutory dues including Income-Tax, Goods and Services Tax and any other material statutory dues applicable to it with the appropriate authorities
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at MARCH 31, 2021 for a period of more than six months from the date on when they become payable.
- c) According to the information and explanations given to us, there are no dues of income tax, duty of excise and service tax and value added tax have not been deposited with the appropriate authorities on account of any dispute.
- 8) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of Loans/Borrowings taken from Banks/Financial Institutions.
- 9) In our opinion, and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The company has spent the amount, raised through term loans, for the purpose for which such loans were availed.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations

given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) The company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

**For A D V & Associates  
Chartered Accountants  
Firm Registration number: 128045W**

**Sd/-  
Ankit Rathi  
Partner  
Membership number: 162441  
UDIN: 21162441AAAACI3629  
Place: Mumbai  
Date :04<sup>th</sup> June, 2021**

**BALANCE SHEET AS AT MARCH 31, 2021**

(All Amounts in INR Lakh, unless otherwise stated)

	Particulars	Note No.	March 31, 2021	March 31, 2020
			INR Lakh	INR Lakh
<b>A</b>	<b>EQUITY AND LIABILITIES:</b>			
1	<b>Shareholders' funds</b>			
	a) Share Capital	3	880.20	880.20
	b) Reserves and Surplus	4	1067.08	1085.07
	c) Share Application Pending against Allotment		0.00	0.00
2	<b>Non-Current Liabilities</b>			
	a) Long Term Borrowings	5	1,699.49	1,531.20
	b) Deferred tax Liabilities	6	101.82	110.68
	c) Other Long-Term Liabilities		0.00	0.00
	d) Long Term Provisions		0.00	0.00
3	<b>Current Liabilities</b>			
	a) Short Term Borrowings	7	399.25	355.21
	b) Trade Payables	8		
	MSME		367.39	240.67
	NON – MSME		674.11	403.24
	c) Other Current Liabilities	9	257.62	179.90
	d) Short Term Provisions	10	190.64	78.70
			<b>5,637.60</b>	<b>4,864.87</b>
<b>B</b>	<b>ASSETS:</b>			
1	<b>Non - Current Assets</b>			
	a) Property, Plant & Equipment	11		
	i) Tangible Assets		3,271.05	3,162.24
	ii) Intangible Assets		10.58	10.51
	iii) Capital Work-in-progress		0.00	1.35
2	<b>Non-Current Investments</b>			
	a) Investments	12	457.95	359.33
	b) Long Term Loans and Advances	13	111.01	160.76
	c) Other Non-Current Assets	14	82.60	86.21
3	<b>Current Assets</b>			
	a) Inventories	15	780.61	690.61
	b) Trade Receivables	16	855.61	341.13
	c) Cash and Bank Balances	17	0.91	6.15
	d) Short Term Loans and Advances	18	46.17	25.88
	e) Other Current Assets	19	21.10	20.70
			<b>5,637.60</b>	<b>4,864.87</b>
	Summary of Significant Accounting Policies	1		

For and on behalf of A D V Associates

Chartered Accountants

Sd/-

Ankit Rathi

Partner

Firm Registration No - 128045W

Membership number - 162441

Place : Mumbai

Date June 04, 2021

For and on behalf of Board of Directors

KRANTI INDUSTRIES LIMITED

Sd/-

Sachin Vora

Managing

Director

DIN-02002468

Place: Pune

Sd/-

Sumit Vora

Executive

Director

DIN-02002416

Date June 04, 2021

Sd/-

Sheela Dhawale

CFO

Sd/-

Bhavesh Selarka

CS

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(All Amounts in INR Lakh, unless otherwise stated)

	Particulars	Note No.	For the financial year 2020-21	For the financial year 2019-20
	<b>REVENUE:</b>			
1	Revenue from Operations	20	5,450.22	4,754.82
2	Other Income	21	40.63	24.41
	<b>Total Revenue</b>		<b>5,490.85</b>	<b>4,779.23</b>
	<b>EXPENSES:</b>			
3	a) Cost of Material Consumed	22	3,336.13	2,891.39
	b) Changes in inventories of finished goods and work-in- progress	23	(28.53)	(55.79)
	c) Other Manufacturing & Operating Exp	24	741.22	723.49
	d) Employee benefits expenses	25	713.42	647.38
	e) Sales, administration, and Other Expenses	26	238.91	234.76
	f) Finance Cost	27	177.81	154.39
	g) Depreciation and amortisation expenses	28	338.73	281.51
	<b>Total Expenses</b>		<b>5,517.70</b>	<b>4,877.13</b>
	Profit before exceptional and Extraordinary Item and Tax		(26.85)	(97.91)
4	Exceptional Items		0.00	0.00
5				
6	<b>Profit Before Tax</b>		<b>(26.85)</b>	<b>(97.91)</b>
7	Tax Expenses			
	a) Current tax		0.00	0.00
	Current tax - MAT		0.00	0.00
	Less - MAT Credit Entitlement		0.00	0.00
			0.00	0.00
	b) Deferred tax		(8.86)	(27.08)
	c) Income tax expenses relating to prior years		0.00	0.75
	<b>Profit After Tax Carried to Balance Sheet</b>		<b>(17.99)</b>	<b>(71.58)</b>
	Earning per Equity Share - In Rs.			
	a. Basic		(0.20)	(0.81)
	a. Diluted		(0.20)	(0.81)

For and on behalf of A D V Associates

For and on behalf of Board of Directors

Chartered Accountants

KRANTI INDUSTRIES LIMITED

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

Ankit Rathi

Sachin Vora

Sumit Vora

Sheela Dhawale

Bhavesh Selarka

Partner

Managing

Executive

CFO

CS

Firm Registration No - 128045W

Director

Director

Membership number - 162441

DIN-02002468

DIN-02002416

Place : Mumbai

Date June 04, 2021

Place: Pune

Date June 04, 2021

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

(All Amounts in INR Lakh, unless otherwise stated)

Particulars	2020-21	2019-20
<b>1. Cash Flow from Operating Activities:</b>		
Net Profit before tax and extraordinary item	(26.85)	(97.91)
<i>Adjustments for:</i>		
Depreciation and amortization expense	338.73	281.51
Interest & Other Charges	177.81	154.39
(Profit)/Loss on sale of Fixed Assets	(32.60)	(20.12)
(Profit)/Loss on sale of Shares	-	-
Dividend Received	-	-
Interest Received/ Other Non-Operative Receipts	(3.52)	0.82
<b>Operating Profit before Working Capital Changes</b>	<b>453.58</b>	<b>318.67</b>
<i>Adjustments for:</i>		
Inventories	(90.00)	(166.25)
Trade Receivables	(514.47)	382.80
Short Term Loans & Advances	(20.29)	74.33
Other Current Assets	(0.40)	(7.84)
Trade Payables	397.59	271.30
Other Current Liabilities	77.72	(108.31)
Short term Provision	111.94	(81.46)
<b>Cash Generated from Operation</b>	<b>415.67</b>	<b>683.25</b>
Taxes Paid	-	(0.75)
<b>Net Cash from Operating Activities</b>	<b>415.67</b>	<b>682.50</b>
<b>2. Cash Flow from Investing Activities:</b>		
Fixed Assets Purchased (Net)	(489.95)	(1315.98)
Additions to Capital Work In Progress	-	53.72
Sale of Fixed Assets	76.28	66.38
Dividend Received	-	-
Interest Received/ Other Non-Operative Receipts	3.52	(0.82)
<i>Adjustments for:</i>		
Long Term Loans & Advances	49.75	24.69
Non-Current Investments	(98.62)	(58.99)
Other Non-Current Assets	3.61	67.62
Long term Provision	-	-
<b>Net Cash from Investing Activities</b>	<b>(455.41)</b>	<b>(1163.37)</b>
<b>3. Cash Flow from Financing Activities:</b>		
Proceeds from issue of shares	-	-
Proceeds/(Repayment) of Short-term borrowings	44.04	(110.89)
Proceeds/(Repayment) of Long-term borrowings	168.29	606.69
Payment of Interim Dividend and tax on it	-	-
Security Premium	-	(0.69)
Interest & Other Charges paid	(177.81)	(154.39)
<b>Net Cash from Financing Activities</b>	<b>34.52</b>	<b>340.73</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(5.23)</b>	<b>(140.15)</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>6.15</b>	<b>146.29</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>0.92</b>	<b>6.15</b>
<b>1. Components of Cash &amp; Cash Equivalents:</b>		
Cash on Hand	0.57	1.35
In Current Accounts	0.34	4.80
In Deposit Accounts	-	-
<b>Total Cash &amp; Cash Equivalents</b>	<b>0.91</b>	<b>6.15</b>



4. The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on Cash Flow Statements.
5. Figures in Brackets represents outflow.
6. The previous year's figures have been regrouped wherever necessary to make them comparable with current year's figures.

As on our report of given date.

**For and on behalf of A D V Associates**

**Chartered Accountants**

**Sd/-**

**Ankit Rathi**

**Partner**

**Firm Registration No - 128045W**

**Membership number - 162441**

**Place : Mumbai**

**Date June 04, 2021**

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

**KRANTI INDUSTRIES LIMITED**

**Sd/-**

**Sachin Vora  
Managing**

**Director**

**DIN-02002468**

**Place: Pune**

**Sd/-**

**Sumit Vora  
Executive**

**Director**

**DIN-02002416**

**Date June 04, 2021**

**Sd/-**

**Sheela Dhawale  
CFO**

**Sd/-**

**Bhavesh Selarka  
CS**

**NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

(All Amounts in INR Lakh, unless otherwise stated)

**NOTE 1: Company Background:**

**KRANTI INDUSTRIES LIMITED** a premier engineering company established in the year 1995. It is a Public limited Company engaged in the field of engineering products and caters to the needs of the Automobile manufacturing companies like CNH Industrial (India) Pvt. Ltd., Graziano Transmission India Pvt. Ltd., Escorts Limited, Neosym Industry Limited, Etc.

**NOTE 2: Basis of preparation of financial statements and significant accounting policies**

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

**2.1 Basis of accounting:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP'), on an accrual basis of accounting under the historical cost convention. The financial statements comply in all material respects with the accounting standards as specified in an Annexure to the Companies (Accounting Standards) Rules, 2006 (as amended) under Section 133 of the Companies Act, 2013 ('the Act') and rules made thereunder, as applicable.

**2.2 Basis of presentation:**

The Balance Sheet and the Statement of Profit and Loss, including related notes, are prepared, and presented as per the requirements of Schedule III to the Act. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) - 3 "Cash Flow Statements"

**2.3 Classification as per Companies (Accounting Standard) Rules, 2006**

The Company is a not a Small and Medium Sized Company (SMC) as defined in the General instructions to Companies (Accounting Standards) Rules, 2006. Accordingly, the Company has complied with the Accounting Standards as applicable.

**2.4 Basis of measurement:**

The financial statements have been prepared on a historical cost convention except for the following. Defined benefit plans - plan assets measured at fair value

**2.5 Use of estimates:**

In preparation of the financial statements, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected. Significant judgments and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

#### **COVID -19:**

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, intangible assets, investments, inventories, trade receivables, etc. For this purpose, the Company has considered internal and external sources of information up to the date of approval of these financial statements, including credit reports and related information, economic forecasts, market value of certain investments etc. Based on the current estimates, the Company does not expect any significant impact on such carrying values. The impact of COVID -19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

### **2.6 Tangible Fixed assets:**

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. The manufacturing costs of internally generated assets comprise direct cost and attributable overheads.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the balance sheet date.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

### **2.7 Depreciation of tangible fixed assets:**

Depreciation is calculated using the Written Down Value Method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Part C of Schedule II of the Companies Act, 2013 except in respect of certain assets listed below where the useful life is estimated different from prescribed rate based on internal assessment or independent technical evaluation carried out by external valuers. The Management believes that the useful lives as given below represent the period over which management expects to use these assets.

Class of Assets	Useful life as per Management estimate in years	Useful life as per Schedule II of the Companies act, 2013
Plant and Machinery	20	15

Factory Building	40	30
Furniture and fixtures	10	10
Electrical Installation	10	10
Office equipment	5	5
Computer	3	3
Tools and Instruments	10	10
Motor Vehicle	8	8

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses.

**2.8 Impairment of Assets:**

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and value in use. An impairment loss recognized on asset is reversed when the conditions warranting impairment provision no longer exists.

**2.9 Investments:**

Investments which are readily realizable and intended to be held or not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

The company holds long term investments which are carried at cost, in financial statements.

**2.10 Inventories:**

Inventories of raw materials including stores, spares and consumables, packing materials, semi-finished goods, work-in-progress, finished goods are valued at the lower of cost and estimated net realizable value. Cost is determined on weighted average basis. The cost of work-in-progress, semi-finished goods and finished goods includes the cost of material, labor and proportion of manufacturing overheads.

**2.11 Revenue recognition on contracts:**

Revenue comprises of Sale and Service Income, Interest, and dividend. Revenue is recognized to the extent it is probable that the economic benefits will flow to the

Company and that the revenue can be reliably measured. The company collects excise duty, service tax, value added taxes (VAT) and Goods and service tax GST as applicable on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Revenue is disclosed, net of trade discounts and excise duty.

#### **Sale of goods**

Sales are recognized when products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. Due from customers if any are measured at the selling price of the work performed. Prepayments from customers are recognized as liabilities.

#### **Sale of services**

- a) Timing of recognition Revenue from rendering of services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Job-work revenues are accounted as and when such services are rendered.
- b) Measurement of revenue Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

#### **Interest Income:**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

#### **Dividend:**

Dividend income from investments is recognized when the right to receive payment is established.

### **2.12 Foreign currency transactions:**

The reporting currency of the company is Indian rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date foreign currency monetary items are reported using the closing rate. Non-monetary items carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences that arise on the settlement of monetary items or on reporting of monetary items at each balance sheet date at closing rate are:

- I. Adjusted in the cost of the fixed assets to which the exchange differences relate, provided the assets are acquired from outside India.
- II. Recognized as income or expenses in the period in which they arise, in case other than (1) above.

In respect of transaction covered by foreign exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Statement of Profit and Loss over the period of the contract.

### **2.13 Leases**

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized in the Statement of Profit and Loss on straight line basis over the lease period.

### **2.14 Borrowing cost:**

Borrowing cost include interest, commitment charges, amortization of ancillary costs, amortization of discounts/premium related to borrowings, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

### **2.15 Taxes on income:**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax act 1961, and based on the expected outcome of assessments.

#### **Deferred Tax**

Deferred tax assets and liabilities are recognized subject to the consideration of prudence, on timing differences between accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent periods and are quantified using enacted / substantively enacted tax rates as at the balance sheet date. The carrying amount of Deferred Tax Assets / liabilities is reviewed at each balance sheet date.

Deferred tax assets relating to an unabsorbed depreciation and business losses are recognized and carried forward to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### **2.16 Provisions, contingent liabilities, and contingent Assets.**

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation.

Contingent liabilities as defined in Accounting Standard 29 are disclosed by way of notes to accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statements.



**2.17 Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term investments which are available on call or maturity of a year or less.

**2.18 Employee Benefits  
Gratuity obligations**

The Company operates defined benefit plan for its employees viz. Gratuity. The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

**Provident Fund**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

**NOTE 3 : Share Capital**

Particulars	March 31, 2021	March 31, 2020
<b>Authorised Share Capital</b>		
15000000 (10000000) Equity shares of Rs.10/- each.	1,500.00	1,000.00
<b>Issued, subscribed, and Paid up</b>		
8802000 Equity shares of Rs.10/- each fully paid up	880.20	880.20
<b>Total</b>	<b>880.20</b>	<b>880.20</b>

**3.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period**

Particulars	March 31, 2021		March 31, 2020	
	No. of Shares	Amt	No. of Shares	Amt
At the beginning of the year	88,02,000	880.20	88,02,000	880.20
Add : Issued during the year	0.00	0.00	0.00	0.00
<b>O/S at the end of the year</b>	<b>88,02,000</b>	<b>880.20</b>	<b>88,02,000</b>	<b>880.20</b>

**3.2 Terms and rights attached to equity shares.**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares 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 proportion to the number of equity shares held by the shareholders.

**3.3 Aggregate number of bonus shares issued; share issued for consideration other than cash during the period of five years immediately preceding the reporting date:**

Particulars		
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium and General Reserves in five years immediately preceding the reporting date (200000 shares of Rs.100/- each and 2350000 shares of Rs.10/- each.)	25.50	25.50

**3.4 Details of Shareholders holding more than 5% shares in the company**

Name of the Shareholder	March 31, 2021		March 31, 2020	
	No. of Shares	% holding	No. of Shares	% holding
Mrs Indubala S. Vora	17,22,700	19.57%	16,98,700	19.30%
Mr. Sachin S. Vora	16,26,000	18.47%	16,02,000	18.20%
Mr. Sumit S. Vora	15,45,030	17.55%	15,39,030	17.49%
SMC Global Securities Ltd.	6,12,000	6.95%	6,93,000	7.87%

**NOTE 4: Reserves and Surplus**

Particulars	March 31, 2021	March 31, 2020
<b>General Reserve</b>	30.00	30.00
<b>Security Premium Account</b>		
Balance as per last Financial statements	342.62	343.30
Add: Amount Received during the year	0.00	0.00
Less: Amount Utilised IPO Expenditure	0.00	(0.69)
	<b>342.62</b>	<b>342.62</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last Financial statements	712.45	784.02
Add: Prior Period Adjustment	0.00	0.00
Add: Profit/ (Loss) for the period	(17.99)	(71.58)
Balance available for appropriation	<b>694.46</b>	<b>712.45</b>
Less: Appropriation	0.00	0.00
	<b>694.46</b>	<b>712.45</b>
<b>Total Rs.</b>	<b>1,067.08</b>	<b>1,085.07</b>

**NOTE 5: Long Term Borrowings**

	Particulars	Non-current portion		Current maturities	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	<b>SECURED</b>				
(i)	Term Loans from Bank - Secured				
	Aditya Birla: A/C No.00600350111308	53.27	0.00	12.59	0.00
	Aditya Birla: A/C No.80001677	282.40	306.42	23.91	21.22
	Cosmos: A/C No. 00580152189 Vehicle Loan	0.00	0.00	0.00	7.23
	EFL: Loan 100-790917-2020-2-1	58.47	0.00	22.29	0.00
	HDFC: Term Loan A/C No. 81214829	0.00	0.00	1.74	16.51
	HDFC: Term Loan A/C No. 81260322	0.00	0.00	3.95	17.15
	HDFC: Term Loan A/C No. 81600701	0.00	0.00	0.00	20.30
	HDFC: Term Loan A/C No. 83656442	143.07	116.40	33.58	11.06
	HDFC: Term Loan A/C No. Eclgs-8130923	73.66	0.00	21.68	0.00
	SCB: Term Loan A/C No. 51294176	12.82	27.27	13.55	11.51
	Siemens Financial: A/C No. A9348834	0.00	0.00	11.18	0.00
	Siemens Financial: A/C No. A9348835	32.83	0.00	24.72	0.00
	Tata Capital: A/C No. 20571389	3.89	7.23	3.34	3.34
	Tata Capital: A/C No. 20644102	17.48	33.61	16.13	16.13
	Tata Capital: A/C No. 20780531	8.32	16.01	7.69	7.69
	Tata Capital: A/C No. 21788892	26.00	50.00	24.00	24.00
	Tata Capital: A/C No. 21794544	43.61	64.54	20.93	20.93
	Tata Capital: A/C No. GECL 21816300	40.24	0.00	9.66	0.00
	Tata Capital: Buyers Credit / Suppliers Credit	523.43	504.72	0.00	0.00
	<b>Subtotal - Secured Loans</b>	<b>1,319.49</b>	<b>1,126.20</b>	<b>250.94</b>	<b>177.08</b>
	<b>UNSECURED</b>				
	Loans and Advances from Directors	380.00	405.00	0.00	0.00
	Loans and Advances from Other related parties	0.00	0.00	0.00	0.00
	<b>Subtotal - Unsecured Loans</b>	<b>308.00</b>	<b>405.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Rs.</b>	<b>1,699.49</b>	<b>1,531.20</b>	<b>250.94</b>	<b>177.08</b>

- **Term Loan from HDFC BANK (Account Nos. 81214831, 81214829, 81260322, 81600701, 83656442, 81214825)** - loan is availed from HDFC bank for Plant and Machinery. secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune.
- **Term Loan Account SCB 51294176** - loan is availed from Standard Chartered bank as working capital requirement This loan is secured by way of first mortgage /charge on Flat owned by Director Situated at Isha Pearl, Kodhwa, Pune.
- **Term Loan Account 20571389, 20644102, 20780531, 20788892, 21794544** - loan is availed from TATA Capital for Machinery. This loan is secured by way of first mortgage /charge on the machinery Purchased.
- **TATA CAPITAL: SUPPLIERS CREDIT** - this is a supplier Credit availed from TATA Capital for purchase of Machinery The Loan is secured by Mortgage of Machinery, The supplier credit maturity is in Mar 2021 and on maturity will be converted to Term Loan.
- **ABFL : A/C NO.00600350111308, TATA CAPITAL A/c 21816300 and HDFC A/c 8130923** : These loans are availed under Guaranteed Emergency Credit Line (GECL) as made available during COVID-19 crisis to augment their net-working capital.
- **Aditya Birla: 80001677**: This loan is availed for the Purchase of Industrial Land at Gat no 1121, Pirangut Pune. This loan is secured by way of first mortgage / charge on the Land Purchased.
- **EFL: Loan 100-790917-2020-2-1**: -This Credit is availed from Electronica Finance Limited for purchase of Machinery The Loan is secured by Mortgage of Machinery.

## NOTE 6: Deferred Tax Liability

	Particulars	MARCH 31, 2021	March 31, 2020
	<b>Deferred Tax Liability</b>		
	Balance as per last financial statements	110.68	137.76
	Add/Less: Current Year deferred tax charge	(8.86)	(27.08)
	<b>Total</b>	<b>101.82</b>	<b>110.68</b>

The Deferred tax income for the current period is of Rs. 8.86 Lakh has been credited to the Profit & Loss Statement.

Particulars	Deferred tax liability/(Asset) as at 01.04.2020	Current Year Charge	Deferred Tax Liability/ (Asset) as at 31.03.2021
Property, Plant & Equipment Liability	127.32	42.65	169.97
Gratuity (Disallowance) Asset	(2.23)	1.85	(0.38)
Deferred Tax Asset B/ F Loss (Asset)	(14.40)	(53.36)	(67.76)
<b>Total</b>	<b>110.68</b>	<b>(8.86)</b>	<b>101.82</b>

As required by Accounting Standard (AS22), Taxes on Income prescribed by Companies (Accounting Standards) Amendment rules, 2006, the company has recognised deferred taxes, which result from timing differences between book profits and tax profits for the period.

## NOTE 7: Short Term Borrowings

	Particulars	March 31, 2021	March 31, 2020
	<b>Secured - Working Capital Loan from Bank</b>		
1	HDFC Bank Limited - Cash Credit	339.25	355.21
2	HDFC Bank Limited - Bill Discounting	60.00	0.00
	<b>Total</b>	<b>399.25</b>	<b>355.21</b>

Working capital loan and Bill discounting Facility is secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, outstanding monies, receivables, claims, bills, materials in transit, etc.

## NOTE 8: Trade Payables

	Particulars	March 31, 2021	March 31, 2020
	<b>Sundry Creditors</b>		
1	Micro, Small and Medium Enterprises	367.39	240.67
2	Others	674.11	403.24
	<b>Total</b>	<b>1,041.50</b>	<b>643.91</b>

The details of amounts outstanding to Micros, Small and Medium Enterprises based on available information with the company is as under:

	Particulars	March 31, 2021	March 31, 2020
1	Principal amount due and remaining unpaid	0.00	0.00
2	Interest due on above and the unpaid interest	0.00	0.00
3	Interest paid	0.00	0.00
4	Payment made beyond the appointed day during the year	0.00	0.00
5	Interest due and payable for the period of delay	0.00	0.00
6	Interest accrued and remaining unpaid	0.00	0.00
7	Amount of further interest remaining due and payable in succeeding years	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**NOTE 9: Other Current Liabilities**

	<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	Interest accrued on Term Loans from bank	3.68	2.82
	Deposits/ Retention Money Payable	0.00	0.00
	Advance received from Customers	3.00	0.00
	Current Maturities Of Long Term Borrowings	250.94	177.08
	<b>Total</b>	<b>257.62</b>	<b>179.90</b>

**NOTE 10: Short Term Provisions**

	<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	<b>Provisions:</b>		
<b>a.</b>	<b>Income Tax Provision</b>	0.00	0.00
<b>b.</b>	<b>Provision for Employee Benefit</b>		
	Profession Tax	0.29	0.26
	Provident Fund	4.85	4.89
	Salary and Wages	45.89	17.17
		<b>51.03</b>	<b>22.32</b>
<b>c.</b>	<b>Other Provisions</b>		
	TDS Payable	5.59	2.86
	Audit Fees Payable	1.50	1.48
	Provision for Electricity Charges	23.09	15.43
	GST Payable	77.48	18.44
	Provision for Gratuity	9.44	16.56
	Legal and Professional Fees Payable	0.44	0.433
	Provisions - Accrued liabilities	22.07	1.19
		<b>139.61</b>	<b>56.38</b>
	<b>Total Rs.</b>	<b>190.64</b>	<b>78.70</b>

**NOTE 11: Fixed Assets**

	Particulars	March 31, 2021	March 31, 2020
<b>A.</b>	<b>GROSS BLOCK</b>		
	<b>Tangible Assets</b>		
a.	<b>Free hold Land</b>		
	Land – 1	26.83	26.83
	Land – 2	122.65	122.65
	Land – 3	476.05	436.32
b.	<b>Buildings</b>		
	Factory Premises – 1	167.35	167.35
	Factory Premises – 2	496.43	496.43
	Factory Premises – 3	98.28	0.00
c.	<b>Plant and Machinery</b>	<b>5,674.14</b>	<b>5,461.92</b>
d.	Electrical Installations – 1	0.00	13.53
e.	Electrical Installations – 2	54.05	47.01
f.	Furniture and Fittings	72.11	99.21
g.	Vehicles – Others	23.37	29.40
h.	Office Equipment	15.48	21.65
i.	Computers	7.22	16.91
j.	Tools and Fixtures	110.92	105.23
	<b>Total Tangible Assets</b>	<b>7,344.88</b>	<b>7,044.43</b>
	<b>Intangible Assets</b>		
	Trademark	0.30	0.30
	Software	17.09	14.09
	<b>Total Intangible Assets</b>	<b>17.39</b>	<b>14.38</b>
	Capital Work in Progress	<b>0.00</b>	<b>1.35</b>
	<b>Total Gross Block</b>	<b>7,362.27</b>	<b>7,060.17</b>
<b>B.</b>	<b>Depreciation Block</b>		
a.	Land – 1	0.00	0.00
b.	Land – 2	0.00	0.00
c.	Land – 3	0.00	0.00
d.	Factory Premises – 1	126.46	123.70
e.	Factory Premises – 2	242.62	222.29
f.	<b>Plant and Machinery</b>	<b>3,541.63</b>	<b>3,326.39</b>
g.	Electrical Installations – 1	0.00	12.85
h.	Electrical Installations – 2	37.63	34.46
i.	Furniture and Fittings	56.92	77.37
j.	Vehicles – Others	15.86	17.96
k.	Office Equipment	11.08	17.32
l.	Computers	4.71	14.79
m.	Tools and Fixtures	37.12	35.06
n.	Trademark	0.25	0.23
o.	Software	6.56	3.64
	<b>Total Depreciation Block</b>	<b>4,080.63</b>	<b>3,886.07</b>
	<b>Total NET Block of FIXED ASSETS</b>	<b>3,281.63</b>	<b>3,174.10</b>



**NOTE 12: Investments**

	Particulars	March 31, 2021	March 31, 2020
	<b>Non-Current Investments</b>		
a.	Unquoted Shares - Cosmos Co-operative Bank Limited	8.20	8.20
b.	<b>Equity Shares of Associate Company</b>		
	Wonder Precision Pvt Ltd	277.14	277.14
	Kranti SFCI Pvt Ltd	15.00	15.00
c.	<b>Bank Fixed Deposits</b>	157.61	58.99
	<b>Total Investments</b>	<b>457.95</b>	<b>359.33</b>

Above-mentioned are Long term investments and carried at cost.

**NOTE 13: Long Term Loans and Advances**

	Particulars	March 31, 2021	March 31, 2020
	<b>Security Deposits</b>		
a.	Secured and Considered Good	0.00	0.00
b.	<b>Unsecured and Considered Good</b>		
	Deposit with MSEDCL	16.84	16.84
	Deposit with RCF Kapurthala	0.00	0.08
	Deposit against Rental Shed	1.65	0.00
	Deposit with TCSFL	8.75	8.75
	Aditya Birla Sun Life Liquid Fund	2.24	0.00
	Deposit with Electronica Finance Ltd	2.56	0.00
	Aditya Birla Short Term Opportunities Fund	11.69	10.61
c.	Loans to Related Parties – WPPL	0.00	0.00
d.	Advance to SFSPL against Lease	67.28	124.49
	<b>Total Long Term Loans and Advances</b>	<b>111.01</b>	<b>160.76</b>

**NOTE 14: Other Non-Current Assets**

	Particulars	March 31, 2021	March 31, 2020
A.	Balance with Income Tax Authorities	30.11	21.86
B.	MAT Credit Entitlement	22.33	22.33
C.	MVAT Balance	30.15	42.02
	<b>Total Other Non-Current Assets</b>	<b>82.60</b>	<b>86.21</b>

**NOTE 15: Inventories**

	Particulars	March 31, 2021	March 31, 2020
	Raw Materials, Components, Consumables	587.56	526.09
	Work-in-progress, Stores and Spares	193.05	164.52
	<b>Total</b>	<b>780.61</b>	<b>690.61</b>

**NOTE 16: Trade Receivables**

	Particulars	March 31, 2021	March 31, 2020
	<b>Outstanding for a period exceeding six months from the date they are due for payment.</b>		
	35.00	35.00	0.00
	<b>Other Receivables</b>		
	Secured and Considered Good	0.00	0.00
	Unsecured and Considered Good	820.61	341.13
	<b>Total</b>	<b>855.61</b>	<b>341.13</b>

**NOTE 17: Cash and Bank Balances**

	Particulars	March 31, 2021	March 31, 2020
	<b>Cash in Hand</b>	0.57	1.35
	<b>Balance with Bank</b>		
	Current Accounts	0.34	4.80
	Other Bank Balances	0.00	0.00
	Deposits with maturity of less than 3 months	0.00	0.00
	<b>Total Cash and Bank Balance</b>	<b>0.91</b>	<b>6.15</b>

**NOTE 18: Short term Loan and Advances**

	Particulars	March 31, 2021	March 31, 2020
	<b>Loans and advances to suppliers</b>		
	Advance to Creditors	45.66	25.42
	<b>Unsecured and considered good</b>		
	Loans to Employees	0.51	0.46
	<b>Deposits</b>	0.00	0.00
	<b>Total Short Term Loan and Advances</b>	<b>46.17</b>	<b>25.88</b>

**NOTE 19: Other Current Assets**

	Particulars	March 31, 2021	March 31, 2020
	Prepaid Expenses	20.38	19.18
	Provision: Interest Receivable	0.72	1.52
	<b>Total Other Current Assets</b>	<b>21.10</b>	<b>20.70</b>

**NOTE 20: Revenue from Operations**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	<b>Sales and labour Charges Net off Taxes</b>	5,204.84	4,570.88
	<b>Other Operational Incomes</b>		
	Scrap Sale	222.65	161.42
	Cash Discount Received	22.73	22.52
	<b>Total Revenue from Operations</b>	<b>5,450.22</b>	<b>4,754.82</b>

**NOTE 21: Other Income**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	<b>Interest Incomes</b>		
	Interest on Deposits	7.81	4.29
	Others	0.00	0.00
	Profit on Sale of Asset	32.60	20.12
	Accounts / Liability Written Back	0.22	0.00
	<b>Total Revenue from Operations</b>	<b>40.63</b>	<b>24.41</b>

**NOTE 22: Cost of Material Consumed**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	<b>Material Consumed</b>		
	Opening Stock of Raw Material and Consumables	526.09	415.62
	Add : Purchases During the Year		
	Raw Material Purchased	3,047.00	2,721.18
	Consumables Purchased	325.66	256.84
		<b>3,898.75</b>	<b>3,393.64</b>
	Freight and Octroi	24.94	23.84
	<b>Less:</b> Closing Stock of Raw Material and Consumables	587.56	526.09
	<b>Total Cost of Material Consumed</b>	<b>3,336.13</b>	<b>2,891.39</b>

**NOTE 23: Changes in Inventories of Finished Goods and Work-In-Progress**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Opening Work-in-Progress	164.52	108.73
	Less: Closing Work-in-Progress	193.05	164.52
	<b>Total</b>	<b>(28.53)</b>	<b>(55.79)</b>

**NOTE 24: Other Manufacturing and Operating Expenses**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	<b>Power and Fuel</b>		
	Electricity Charges	214.69	205.89
	Solar Power Charges	7.66	8.29
	Generator Fuel	18.37	12.06
	Repairs and Machinery	143.75	119.24
	Job work and labour charges	193.79	133.29
	Lease Rental	61.26	144.98
	Other manufacturing expenses	0.00	0.00
	Packing Material	101.70	99.73
	<b>Total</b>	<b>741.22</b>	<b>723.49</b>

**NOTE 25: Employee Benefits Expenses**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Salary and Wages	615.21	525.41
	Bonus and Incentives	30.81	23.86
	Gratuity Paid	3.43	12.48
	Provident Fund Contribution	24.84	28.24
	ESIC Contribution	2.93	4.75
	Welfare Fund	0.06	0.08
	Staff Welfare Expenses	4.77	4.86
	Director's Remuneration	31.37	47.70
	<b>Total</b>	<b>713.42</b>	<b>647.38</b>

**NOTE 26: Sales Administration and Other Expenses**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Advertisement	0.21	0.20
	Audit Fees	1.80	1.80
	Conveyance and Travelling	7.00	10.02
	Insurance	7.83	8.60
	Interest Paid on Govt. Dues	0.00	1.19
	Legal and Professional Fees	11.81	8.25
	Legal Expenses	8.66	0.02
	Office Expenses	22.57	18.24
	Postage and Courier	0.08	0.17
	Printing and Stationery	3.50	5.20
	Profession Tax	0.03	0.03
	Rates and Taxes	3.15	3.14
	Repairs and Maintenance	7.76	9.01
	Sales Promotion, entertainment	26.68	15.50
	Security Charges	13.75	13.17
	Housekeeping Expenses	14.75	13.72
	Subscription and Contribution	1.80	2.07
	Transport Charges	92.53	113.63
	Telephone Expense	1.73	1.86
	Water Charges	5.05	4.74
	Foreign Currency Gain/Loss	0.05	0.18
	Accounts / Liability Written Back	7.84	4.02
	Donations	0.15	0.00
	Ceremony Expenses	0.19	0.00
	<b>Total</b>	<b>238.91</b>	<b>234.76</b>

**NOTE 27: Finance Costs**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Interest on Term Loan	57.45	32.42
	Interest on Cash Credit, Bill Discounting	117.98	110.25
	Interest on Unsecured Loans and Deposits	0.00	8.83
	Bank Charges	2.38	2.89
	<b>Total</b>	<b>177.81</b>	<b>154.39</b>

**NOTE 28: Depreciation**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Land – 1	0.00	0.00
	Land – 2	0.00	0.00
	Land – 3	0.00	0.00
	Factory Premises – 1	2.76	2.96
	Factory Premises – 2	20.33	22.06
	Guest House	0.00	0.00
	<b>Plant and Machinery</b>	276.81	218.36
	Electrical Installations – 1	0.00	0.07
	Electrical Installations – 2	3.16	3.58
	Furniture and Fittings	5.32	7.18
	Vehicles – Others	3.52	5.49
	Office Equipment	2.15	2.08
	Computers	1.18	1.41
	Tools and Fixtures	20.56	15.45
	Trademark	0.02	0.02
	Software	2.92	2.87
	<b>Total</b>	<b>338.73</b>	<b>281.51</b>

**NOTE 29: Related Party Disclosure:**

## 29.1.1 Names of related parties and related party relationship

## a) Category I - Fellow Subsidiary &amp; Associate:

**WONDER PRECISION PRIVATE LIMITED. - Subsidiary**

**KRANTI SFCI PRIVATE LIMITED. - Associate**

## b) Category II - Key Managerial Persons (KMP)

Mr. Sachin Vora (Managing Director)

Mr. Sumit Vora (Director)

Smt. Indubala Vora (Director)

Mrs. Sheela Dhawale (Chief Financial Officer)

Mr. Bhavesh Selarka (Company Secretary)

## 29.1.2 Transactions with Related parties:

**a. Transactions with Fellow Subsidiary & Associate:**

The company has its subsidiary Wonder Precision Private Limited, Pune. In case of which the transactions are as follows:

Nature of Transactions	Year ended 31/03/2021	Year ended 31/03/2020
Purchase of Material and Job-work charges	59.27	30.77

(Amounts are exclusive of taxes)

The company is having more than 20% investment in Kranti SFCI Private Limited. In case of which the transactions are as follows:

Nature of Transactions	Year ended 31/03/2021	Year ended 31/03/2020
Purchase of Material and Job-work charges	0.00	0.03
Sale of Machines	0.00	59.43

(Amounts are exclusive of taxes)

**b. Transactions with Directors, Key Managerial Persons (KMP) and Relatives:**

Particulars	For the Year 2020-21			For the Year 2019-20		
	Nature of Payment		Loan O/s as on 31.03.2021	Nature of Payment		Loan O/s as on 31.03.2020
Directors	Interest	Salary		Interest	Salary	
Sachin Vora	-	16.95	138.00	-	23.34	153.00
Sumit Vora	-	16.98	87.00	-	23.34	97.00
Indubala S Vora	-	0.25	155.00	-	-	155.00
Relatives of Directors	-	15.44	-	8.83	14.82	-
<b>Key Managerial Personnel</b>						
Sheela Dhawale - Chief Financial Officer	-	10.93	-	-	10.20	-
Bhavesh Selarka - Compliance Officer	-	4.63	-	-	5.21	-
Relatives of Key Managerial Personnel	-	-	-	-	-	-
<b>Gross Transaction Value</b>	<b>0.00</b>	<b>65.18</b>	<b>380.00</b>	<b>8.83</b>	<b>76.91</b>	<b>405.00</b>

Related party relationship is as identified by the Company and relied upon by the Auditors, No amounts have been written off/back and provided for in respect of related party during the year.

**NOTE 30: Earnings Per Share (EPS)**

The Earnings per share calculated as per AS-20 is shown below:

Earnings per Share	March 31, 2021	March 31, 2020
Profit/(Loss) Attributable to Shareholders	(17.99)	(71.57)
No of Equity Shares	88,02,000	88,02,000
Basic and Diluted Earnings Per Share (In Rs.)	(0.20)	(0.81)

**NOTE 31: Contingent Liabilities**

As per the Information provided to us there is no contingent liability as on the date.

**Pending Litigation:**

Sr. No	Act	Nature of Dues	Amount in INR Lakh	Period to which amounts Relates	Forum where the dispute is pending
1.	Income Tax Act	Income Tax Dues	14.42	A.Y 2015-16	Commissioner (Appeals) - Pune

Company have deposited the total dues with authorities, Appeal is in process at CIT Income Tax.



**NOTE 32: Value of imports calculated on CIF basis:**

Particulars	During F.Y 2020-21	During F.Y 2019-20
Capital Goods	0.76	559.20
Raw Material	2.04	-

**NOTE 33: Expenditure in Foreign Currency:**

Particulars	As on March 31, 2021	As on March 31, 2020
Spares for Repairs	0.00	0.00
Travelling Expense	0.00	0.64
Advance for Capital Goods & Material	0.00	2.00
Packaging Material	0.35	0.00

**NOTE 34: Earnings in Foreign Currency:**

The Earning in Foreign Currency is Export Sales of Rs. 13.14 Lakh.

**NOTE 35: Managerial Remuneration**

Managerial Remuneration paid during the period is as follows:

Particulars	As on March 31, 2021	As on March 31, 2020
Director's Remuneration, (Including Incentive and Bonus)	34.17	46.67
Interest on Loan	-	-
<b>Total</b>	<b>34.17</b>	<b>46.67</b>

**NOTE 36: Deferred Tax:**

In accordance with Accounting Standard 22, 'Accounting for Taxes on Income', the Company has a net deferred tax liability, and it has been recognized properly in the accounts.

Particulars	As on March 31, 2021	As on March 31, 2020
Balance as per Last Balance Sheet	110.68	137.76
Add / Less: Current year deferred tax	(8.86)	(27.07)
<b>Net Deferred Tax Liability / (-)Asset</b>	<b>101.82</b>	<b>110.68</b>

Particulars	Deferred tax (liability) / Asset as at 01.04.2020	Current Year Charge	Deferred Tax Liability as at 31.03.2021
Property, Plant & Equipment	127.32	42.65	169.97
Gratuity (Disallowance)	(2.23)	1.85	(0.38)
Deferred Tax Asset B/ F Loss	(14.40)	(53.36)	(67.76)
<b>Total</b>	<b>110.68</b>	<b>(8.86)</b>	<b>101.82</b>

**NOTE 37: Payment to Auditors:**

Particulars	As on March 31, 2021	As on March 31, 2020
Statutory Audit	1.00	1.00
Tax Auditor	0.40	0.40
GST Auditor	0.40	0.40
As advisor, or in any other capacity	0.00	0.00
<b>Total</b>	<b>1.80</b>	<b>1.80</b>

Mentioned Amounts are exclusive of Indirect Taxes

**NOTE 38: Value of Imported and Indigenous raw material consumed:**

Particulars	As on March 31, 2021		As on March 31, 2020	
	% of Total Consumption	Value	% of Total Consumption	Value
<b>Raw Material</b>				
Imported	0.00%	0.00	0.00%	0.00
Indigenously procured	100%	2,992.88	100%	2,654.51
<b>Total</b>	<b>100%</b>	<b>2,992.88</b>	<b>100%</b>	<b>2,654.51</b>
<b>Spares &amp; Consumables</b>				
Imported	0.60%	2.04	0%	0.00
Indigenously procured	99.40%	323.61	100%	236.88
<b>Total</b>	<b>100%</b>	<b>343.24</b>	<b>100%</b>	<b>236.88</b>

**NOTE 39: Employee Benefits:**
**Defined contribution plans**

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per local regulations. The contributions are made to provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further neither contractual nor any constructive obligation. Contributions are made to employee's family pension fund in India for employees as per local regulations. The contributions are made to provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further neither contractual nor any constructive obligation.

The Company has recognized the following amount in the Statement of Profit and Loss for the year.

Particulars	As on March 31, 2021	As on March 31, 2020
Contribution to Employees Provident Fund	24.83	28.24
Contribution to other Funds (ESIC, Labor welfare funds)	2.99	4.83
<b>Total</b>	<b>27.83</b>	<b>33.07</b>

**Post-employment obligations**
**Gratuity**

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for

gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to fund managed by Life Insurance Corporation of India. Contributions are made as per the working by LIC of India. The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows

**I. ASSUMPTIONS**

	As of 31/03/2020	As of 31/03/2021
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	6.80%	7.00%
Rate of increase in compensation levels	5.00%	5.00%
Expected rate of return on plan assets	7.80%	7.25%
Expected average remaining working lives of employees (in years)	19.09 *	18.93 *
Retirement Age	58 years	58 years
Withdrawal Rate		
Age upto 30 years	3.00%	3.00%
Age 31 - 40 years	2.00%	2.00%
Age 41 - 45 years	2.00%	2.00%
Age above 45 years	1.00%	1.00%

\* It is actuarially calculated term of the plan using probabilities of death, withdrawal and retirement.

**II. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS:**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Present value of obligation as at the beginning of the period	44.77	59.84
Acquisition adjustment	-	-
Transfer In / (Out)	-	-
Interest cost	3.49	4.05
Past service cost	-	-
Current service cost	5.74	7.51
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits paid	-	(0.54)
Actuarial (Gain) / Loss on obligations	5.83	(4.16)
Present value of obligation as at the end of the period	59.84	66.68

**III. TABLE SHOWING CHANGES IN FAIR VALUE OF PLAN ASSETS:**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Fair value of plan assets at the beginning	33.70	43.27
Acquisition adjustments	-	-
Transfer In / (Out)	-	-
Expected return on plan assets	2.90	3.54
Contributions	7.00	11.60
Mortality Charges and Taxes	-0.11	-0.35
Benefits paid	-	-
Amount paid on settlement	-	-
Actuarial Gain / (Loss) on plan assets	-0.21	-0.23
Fair value of plan assets at the end of the period	43.27	57.28
Actual return on plan assets	2.69	3.30

**IV. ACTUARIAL (GAIN) / LOSS RECOGNIZED**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Actuarial (Gain) / loss for the period - Obligations	5.83	-4.16
Actuarial (Gain) / Loss for the period - Plan assets	0.21	0.23
Total (Gain) / Loss for the period	6.04	-3.93
Actuarial (Gain) / Loss recognized in the period	6.04	-3.93
Unrecognized actuarial (Gain) / Loss at the end of the period	-	-

**V. THE AMOUNTS TO BE RECOGNIZED IN THE BALANCE SHEET:**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Present value of obligation at the end of period	59.84	66.68
Fair value of the plan assets at the end of period	43.27	57.28
Surplus / (Deficit)	-16.56	-9.40
Current liability	16.56	9.40
Non-current liability	43.27	57.28
Unrecognized past service cost	-	-
Amount not recognized as asset (Para 59(b) limit)	-	-
Net asset / (liability) recognized in balance sheet	-16.56	-9.40

**VI. EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Current service cost	5.74	7.51
Acquisition (Gain) / Loss	-	-
Past service cost	-	-
Interest cost	3.49	4.05
Expected return on plan assets	-2.90	-3.53
Curtailment (Gain) / Loss	-	-
Settlement (Gain) / Loss	-	-
Transfer In / (Out)	-	-
Actuarial (Gain) / Loss recognized in the period	6.04	-3.93
Expenses recognized in the statement of profit & loss at the end of period	12.37	4.09

**VII. RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNIZED**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Net asset / (liability) recognized at the beginning of the period	-11.08	-16.56
Company Contributions	7.00	11.60
Benefits directly paid by Company	-	-
Expense recognized at the end of period	-12.37	-4.09
Unrecognized past service cost	-	-
Mortality Charges and Taxes	-0.11	-0.35
Impact of Transfer (In) / Out	-	-
Net asset / (liability) recognized at the end of the period	-16.56	-9.40

**VIII. EXPERIENCE ADJUSTMENT HISTORY FOR 5 YEARS**

Experience History	31/03/2017	31/03/2018	31/03/2019	31/03/2020	31/03/2021
Present value of obligation	27.65	35.48	44.77	59.84	66.68
Plan assets	18.61	27.18	33.70	43.27	57.28
Surplus / (Deficit)	-9.04	-8.30	-11.08	-16.56	-9.40
Experience (Gain) or Loss on plan liabilities	0.53	1.57	1.81	-2.50	-2.14
Experience (Gain) or Loss on plan assets	-0.00	0.27	0.03	0.21	-0.03

**IX. MAJOR CATEGORIES OF PLAN ASSETS (AS % OF TOTAL PLAN ASSETS):**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Government of India securities	0.00%	0.00%
High quality corporate bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special deposit scheme	0.00%	0.00%
Funds managed by insurer	100.00%	100.00%
Others	0.00%	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

- 40** Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.
- 41** Other notes as required by Schedule III of the Act are either nil or not applicable hence not disclosed.
- 42** Previous period figures have been regrouped, recast / rearranged wherever necessary in order to conform to the current year's presentation.



# **Consolidated Financial Statements**

**Independent Auditor's  
Report and Notes to  
Accounts  
for  
Financial Year 2020-21**

# INDEPENDENT AUDITORS REPORT

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## Independent Auditor's Report on Consolidated Financials

To

The Members of Kranti Industries Limited

**Report on the Audit of the Consolidated Financial Statements:**

### Opinion

We have audited the accompanying Consolidated Financial Statements of Kranti Industries Limited ("the Company"), which comprise the Balance Sheet as at MARCH 31, 2021, the Statement of Profit and Loss, the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and its cash flows for the year ended on that date.

### Basis for opinion

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

### Emphasis of Matter

We draw your attention to Note no 2.5 to these consolidated financial statement, which describe the Management's assessment of the impact of COVID-19 pandemic and the resultant lockdowns on the significant uncertainties involved in developing some of the estimates involved in preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable value of its property, plant and equipment and the net realizable value of other assets. Based on information available as of the date, Management believes that no further adjustments are required to the financial

statements. However, in view of the highly uncertain economic impacting the automotive industry, a definitive assessment of the impact is highly dependent upon circumstances as they evolve in future and the actual result may differ from those estimated as at the date of approval of these financial statements.

Our opinion is not modified in respect of the above matters.

### Other Matter

We did not audit the financial statements and other information, in respect of the subsidiary company and Associates company, in respect of subsidiary company financial statements include total assets of Rs. 303.46 Lakhs as at March 31, 2021, and total revenues of Rs.231.99 Lakhs for the year ended on that date.

These financial statements and other financial information have been prepared and submitted to us by the management and audited by Siddharth Bogawat & Associates.

Our opinion is not modified in respect of this matter.

### Key audit matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter
1	<p><b>Revenue Recognition - (refer Note 2.13 related to Revenue)</b></p> <p>We focused on this area as a key audit matter due to the risk of incorrect timing of revenue recognition and estimation related to recording the discount and rebates. According to the financial statement' accounting principles revenue is recognized at a point in time when the control of the goods is transferred to the customer according to delivery terms. Due to variation of contractual sales terms and practices across the market and the pressure, the management may feel to achieve performance targets, there is a risk of material error.</p> <p><b>Auditor's Response</b></p> <p>To address this risk of material misstatement relating to revenue recognition, our audit procedures included:</p> <ul style="list-style-type: none"> <li>- Assessing the compliance of company's revenue recognition policies with applicable accounting standards, including those related to discounts and rebates.</li> <li>- Assessing the adequacy of relevant disclosures.</li> </ul>

## Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

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.

## Management's Responsibility for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error,

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

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

1. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated Financial Statements. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of The Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### 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.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company does not have any pending litigation which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund.

**For A D V & Associates**  
**Chartered Accountants**  
**Firm Registration number: 128045W**

Sd/-

**Ankit Rathi**  
**Partner**  
**Membership number: 162441**  
**UDIN: 21162441AAAACJ8745**  
**Place: Mumbai**  
**Date : 04<sup>th</sup> June, 2021**

## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Kranti Industries Limited of even date)

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

We have audited the internal financial controls over financial reporting of Kranti Industries Limited (“the Company”) as of MARCH 31, 2021 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 internal financial controls over financial reporting 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at MARCH 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A D V & Associates  
Chartered Accountants

Firm Registration number: 128045W

Sd/-

Ankit Rathi

Partner

Membership number: 162441

UDIN: 21162441AAAACJ8745

Place: Mumbai

Date :04<sup>th</sup> June, 2021

**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021**

(All Amounts in INR Lakh, unless otherwise stated)

	Particulars	Note No.	March 31, 2021	March 31, 2020
			INR Lakh	INR Lakh
<b>A</b>	<b>EQUITY AND LIABILITIES:</b>			
1	<b>Shareholders' funds</b>			
	a) Share Capital	3	880.20	880.20
	b) Reserves and Surplus	4	1,034.94	1,047.86
	c) Share Application Pending against Allotment		0.00	0.00
2	<b>Non-Current Liabilities</b>			
	a) Long Term Borrowings	5	2,019.29	1,861.05
	b) Deferred tax Liabilities	6	76.20	84.20
	c) Other Long-Term Liabilities		0.00	0.00
	d) Long Term Provisions		0.00	0.00
3	<b>Current Liabilities</b>			
	a) Short Term Borrowings	7	399.21	355.21
	b) Trade Payables	8	1048.77	650.65
	c) Other Current Liabilities	9	279.78	199.39
	d) Short Term Provisions	10	205.30	84.00
			<b>5,943.73</b>	<b>5,162.57</b>
<b>B</b>	<b>ASSETS:</b>			
1	<b>Non - Current Assets</b>			
	a) Property, Plant & Equipment	11		
	i) Tangible Assets		3,449.79	3,358.22
	ii) Intangible Assets		11.12	11.23
	iii) Capital Work-in-progress		0.00	1.35
2	<b>Non-Current Investments</b>			
	a) Investments	12	165.91	74.16
	b) Long Term Loans and Advances	13	115.36	165.11
	c) Other Non-Current Assets	14	88.33	94.11
	d) Goodwill on Consolidation		320.43	320.43
3	<b>Current Assets</b>			
	a) Inventories	15	798.52	718.80
	b) Trade Receivables	16	924.54	364.59
	c) Cash and Bank Balances	17	1.19	7.55
	d) Short Term Loans and Advances	18	46.96	25.93
	e) Other Current Assets	19	21.57	21.09
			<b>5,943.72</b>	<b>5,162.57</b>
	Summary of Significant Accounting Policies	1		

 For and on behalf of A D V Associates  
 Chartered Accountants

 For and on behalf of Board of Directors  
 KRANTI INDUSTRIES LIMITED

Sd/-

 Ankit Rathi  
 Partner

Firm Registration No - 128045W

Membership number - 162441

Place : Mumbai

Date June 04, 2021

Sd/-

 Sachin Vora  
 Managing Director

 Director  
 DIN-02002468

Place: Pune

Sd/-

 Sumit Vora  
 Executive Director

 Director  
 DIN-02002416

Date June 04, 2021

Sd/-

 Sheela Dhawale  
 CFO

Sd/-

 Bhavesh Selarka  
 CS

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2021**

(All Amounts in INR Lakh, unless otherwise stated)

	Particulars	Note No.	For the FY 2020-21	For the FY 2019-20
	<b>REVENUE:</b>			
1	Revenue from Operations	20	5,622.65	4,896.37
2	Other Income	21	40.92	29.11
	<b>Total Revenue</b>		<b>5,663.57</b>	<b>4,925.48</b>
	<b>EXPENSES:</b>			
3	a) Cost of Material Consumed	22	3,355.08	2,905.05
	b) Changes in inventories of finished goods and work-in- progress	23	(21.33)	(56.46)
	c) Other Manufacturing & Operating Expense	24	730.80	745.74
	d) Employee benefits expenses	25	797.52	727.25
	e) Sales, administration, & Other Expenses	26	254.52	248.14
	f) Finance Cost	27	191.87	170.97
	g) Depreciation & amortisation expenses	28	369.16	315.55
	<b>Total Expenses</b>		<b>5,677.62</b>	<b>5,055.49</b>
4	Profit before exceptional and Extraordinary Item & Tax		(14.05)	(130.01)
5	Exceptional Items		0.00	0.00
6	<b>Profit Before Tax</b>		<b>(14.05)</b>	<b>(130.01)</b>
7	Tax Expenses			
	a) Current tax		0.00	0.00
	Current tax - MAT		0.00	0.00
	Less - MAT Credit Entitlement		0.00	0.00
	b) Deferred tax		(8.00)	(34.38)
	c) Income tax relating to prior years		0.00	0.75
	<b>Profit After Tax Carried to Balance Sheet</b>		<b>(6.05)</b>	<b>(96.38)</b>
	Minority Interest.		0.36	(0.74)
	Share of Profit / Loss of Associate		(6.87)	(7.57)
	<b>Profit after Tax, minority Interest &amp; Associate share</b>		<b>(13.28)</b>	<b>(103.21)</b>
	Earning per Equity Share - In Rs.			
	a. Basic		(0.15)	(1.17)
	a. Diluted		(0.15)	(1.17)

 For and on behalf of A D V Associates  
 Chartered Accountants

 For and on behalf of Board of Directors  
 KRANTI INDUSTRIES LIMITED

Sd/-

 Ankit Rathi  
 Partner

Firm Registration No - 128045W

Membership number - 162441

Place : Mumbai

Date June 04, 2021

Sd/-

 Sachin Vora  
 Managing

Director

DIN-02002468

Place: Pune

Sd/-

 Sumit Vora  
 Executive

Director

DIN-02002416

Date June 04, 2021

Sd/-

 Sheela Dhawale  
 CFO

Sd/-

 Bhavesh Selarka  
 CS

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

(All Amounts in INR Lakh, unless otherwise stated)

Particulars	2020-21	2019-20
<b>1. Cash Flow from Operating Activities:</b>		
Net Profit before tax and extraordinary item	(14.05)	(130.01)
<i>Adjustments for:</i>		
Depreciation and amortization expense	369.16	315.55
Interest & Other Charges	191.87	170.97
(Profit)/Loss on sale of Fixed Assets	(32.60)	(24.13)
(Profit)/Loss on sale of Shares	-	-
Dividend Received	0.0	(0.01)
Interest Received/ Other Non Operative Receipts	(3.52)	(4.29)
<b>Operating Profit before Working Capital Changes</b>	<b>510.87</b>	<b>328.08</b>
<i>Adjustments for:</i>		
Inventories	(79.72)	(166.31)
Trade Receivables	(559.95)	394.46
Short Term Loans & Advances	(21.03)	75.23
Other Current Assets	(0.48)	(8.02)
Trade Payables	398.12	275.95
Other Current Liabilities	80.39	(100.73)
Short term Provision	121.30	(79.80)
<b>Cash Generated from Operation</b>	<b>449.49</b>	<b>718.85</b>
Taxes Paid	-	(0.75)
<b>Net Cash from Operating Activities</b>	<b>449.49</b>	<b>718.10</b>
<b>2. Cash Flow from Investing Activities:</b>		
Fixed Assets Purchased (Net)	(504.95)	(1321.19)
Additions to Capital Work In Progress	-	53.72
Sale of Fixed Assets	78.27	86.22
Dividend Received	-	0.01
Interest Received/ Other Non-Operative Receipts	3.52	4.29
<i>Adjustments for:</i>		
Long Term Loans & Advances	49.75	24.69
Non-Current Investments	(91.75)	(58.99)
Other Non-Current Assets	5.77	70.61
Long term Provision	-	-
<b>Net Cash from Investing Activities</b>	<b>(459.39)</b>	<b>(1,140.64)</b>
<b>3. Cash Flow from Financing Activities:</b>		
Proceeds from issue of shares	-	-
Proceeds/(Repayment) of Short-term borrowings	44.04	(110.89)
Proceeds/(Repayment) of Long-term borrowings	158.24	565.84
Payment of Interim Dividend and tax on it	-	-
Security Premium	-	(0.69)
Interest & Other Charges paid	(191.87)	(170.97)
<b>Net Cash from Financing Activities</b>	<b>10.41</b>	<b>283.29</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents</b>	<b>0.51</b>	<b>(139.24)</b>
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>7.55</b>	<b>146.79</b>
<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>8.06</b>	<b>7.55</b>
<b>1. Components of Cash &amp; Cash Equivalents:</b>		
Cash on Hand	0.74	2.64
In Current Accounts	0.44	4.90
In Deposit Accounts	-	-
<b>Total Cash &amp; Cash Equivalents</b>	<b>1.19</b>	<b>7.55</b>



3. The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on Cash Flow Statements.
4. Figures in Brackets represents outflow.
5. The previous year's figures have been regrouped wherever necessary to make them comparable with current year's figures

As on our report of given date.

**For and on behalf of A D V Associates**

**Chartered Accountants**

**Sd/-**

**Ankit Rathi**

**Partner**

**Firm Registration No - 128045W**

**Membership number - 162441**

**Place : Mumbai**

**Date June 04, 2021**

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

**KRANTI INDUSTRIES LIMITED**

**Sd/-**

**Sachin Vora  
Managing**

**Director**

**DIN-02002468**

**Place: Pune**

**Sd/-**

**Sumit Vora  
Executive**

**Director**

**DIN-02002416**

**Date June 04, 2021**

**Sd/-**

**Sheela Dhawale  
CFO**

**Sd/-**

**Bhavesh Selarka  
CS**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(All Amounts in INR Lakh, unless otherwise stated)

### **NOTE 1: Company Background:**

The consolidated financial statements comprise financial statements of Kranti Industries Limited and its subsidiaries for the year ended 31<sup>st</sup>March 2021.

Kranti Industries Limited a premier engineering company established in the year 1995. It is a Public limited Company engaged in the field of engineering products and caters to the needs of the Automobile manufacturing companies like CNH Industrial (India) Pvt. Ltd., Graziano Transmission India Pvt. Ltd., ESCORTS LIMITED, Neosym Industry Limited, Etc.

### **NOTE 2: Basis of preparation of consolidated financial statements and significant accounting policies**

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

#### **2.1 Basis of accounting:**

The Consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP'), on an accrual basis of accounting under the historical cost convention. The consolidated financial statements comply in all material respects with the Accounting standards as specified in an Annexure to the Companies (Accounting Standards) Rules, 2006 (as amended) under Section 133 of the Companies Act, 2013 ('the Act') and rules made thereunder, as applicable.

#### **2.2 Basis of presentation:**

The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss, including related notes, are prepared and presented as per the requirements of Schedule III to the Act. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Consolidated Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) - 3 "Cash Flow Statements"

#### **2.3 Classification as per Companies (Accounting Standard) Rules, 2006**

The Company is a not a Small and Medium Sized Company (SMC) as defined in the General instructions to Companies (Accounting Standards) Rules, 2006. Accordingly, the Company has complied with the Accounting Standards as applicable.

#### **2.4 Basis of measurement:**

The consolidated financial statements have been prepared on a historical cost convention except for the following. Defined benefit plans - plan assets measured at fair value

## 2.5 Use of estimates:

In preparation of the financial statements, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future periods affected. Significant judgments and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

## COVID -19:

The Company has considered the possible effects that may arise out of the still unfolding COVID-19 pandemic on the carrying amounts of property, plant & equipment, intangible assets, investments, inventories, trade receivables, etc. For this purpose, the Company has considered internal and external sources of information up to the date of approval of these financial statements, including credit reports and related information, economic forecasts, market value of certain investments etc. Based on the current estimates, the Company does not expect any significant impact on such carrying values. The impact of COVID -19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

## 2.6 Principles of consolidation:

The consolidated financial statements have been prepared on the following basis:

- I. The financial statements of the subsidiary companies used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2021.
- II. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits have been fully eliminated.
- III. The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements.
- IV. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments as stated above.

## 2.7 The following subsidiary/Associate companies are considered in the Consolidated Financial Statements:

Sr No	Company Name	Country of Incorporation	% of Share Holding As at 31.03.2021
1	Wonder Precision Private Limited	India	97.00 %
2	Kranti SFCI Private Limited	India	30.00%

## 2.8 Tangible Fixed assets:

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. The manufacturing costs of internally generated assets comprise direct cost and attributable overheads.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the balance sheet date.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

## 2.9 Depreciation of tangible fixed assets:

Depreciation is calculated using the Written down value method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Part C of Schedule II of the Companies Act, 2013 except in respect of certain assets listed below where the useful life is estimated different from prescribed rate based on internal assessment or independent technical evaluation carried out by external valuers. The Management believes that the useful lives as given below represent the period over which management expects to use these assets

Class of Assets	Useful life as per	
	Management estimate in years	Schedule II of the Companies act, 2013
Plant and Machinery	20	15
Factory Building	40	30
Furniture and fixtures	10	10
Electrical Installation	10	10
Office equipment	5	5
Computer	3	3
Tools and Instruments	10	10
Motor Vehicle	8	8

The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed and adjusted if appropriate, at the end of each

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

#### **Intangible Assets:**

Intangible assets acquired separately are measured on initial recognition cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses.

#### **2.10 Impairment of Assets:**

Fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized in the Statement of Profit and Loss if the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and value in use. An impairment loss recognized on asset is reversed when the conditions warranting impairment provision no longer exists.

#### **2.11 Investments:**

Investments which are readily realizable and intended to be held or not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

The company holds long term investments which are carried at cost, in financial statements.

#### **2.12 Inventories:**

Inventories of raw materials including stores, spares and consumables, packing materials, semi-finished goods, work-in-progress, finished goods are valued at the lower of cost and estimated net realizable value. Cost is determined on weighted average basis.

The cost of work-in-progress, semi-finished goods and finished goods includes the cost of material, labor and proportion of manufacturing overheads.

#### **2.13 Revenue recognition on contracts:**

Revenue comprises of Sale and Service Income, Interest and dividend. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured. The company collects excise duty, service tax, value added taxes (VAT) and Goods and service tax GST as applicable on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Revenue is disclosed, net of trade discounts and excise duty.

#### **Sale of goods**

Sales are recognized when products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied.

Due from customers if any are measured at the selling price of the work performed. Prepayments from customers are recognized as liabilities.

### Sale of services

Timing of recognition Revenue from rendering of services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided (percentage of completion method). Job-work revenues are accounted as and when such services are rendered.

Measurement of revenue Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

### Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### Dividend:

Dividend income from investments is recognized when the right to receive payment is established.

#### 1.14 Foreign currency transactions:

The reporting currency of the company is Indian rupee.

Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each Balance Sheet date foreign currency monetary items are reported using the closing rate. Non-monetary items, carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences that arise on the settlement of monetary items or on reporting of monetary items at each balance sheet date at closing rate are :

- I. Adjusted in the cost of the fixed assets to which the exchange differences relate, provided the assets are acquired from outside India.
- II. Recognized as income or expenses in the period in which they arise, in case other than (1) above.

In respect of transaction covered by foreign exchange contracts, the difference between the contract rate and the spot rate on the date of the transaction is charged to the Statement of Profit and Loss over the period of the contract.

#### 2.15 Leases

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized in the Statement of Profit and Loss on straight line basis over the lease period.

#### 2.16 Borrowing cost



Borrowing cost include interest, commitment charges, amortization of ancillary costs, amortization of discounts/premium related to borrowings, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

### **2.17 Taxes on income:**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax act 1961 and based on the expected outcome of assessments.

### **Deferred Tax**

Deferred tax assets and liabilities are recognized subject to the consideration of prudence, on timing differences between accounting income and taxable income that originate in one period and are capable of reversal in one or more subsequent periods and are quantified using enacted / substantively enacted tax rates as at the balance sheet date. The carrying amount of Deferred Tax Assets / liabilities is reviewed at each balance sheet date. Deferred tax assets relating to an unabsorbed depreciation and business losses are recognized and carried forward to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

### **2.18 Provisions, contingent liabilities and contingent Assets.**

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation. Contingent liabilities as defined in Accounting Standard 29 are disclosed by way of notes to accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

### **2.19 Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments which are available on call or maturity of a year or less.

### **2.20 Employee Benefits**

#### **Gratuity obligations**

The Company operates defined benefit plan for its employees viz. Gratuity. The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

### Provident Fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

### NOTE 3 : Share Capital

Particulars	March 31, 2021	March 31, 2020
<b>Authorised Share Capital</b> 15000000 (10000000) Equity shares of Rs.10/- each.	1,500.00	1,000.00
<b>Issued, subscribed, and Paid up</b> 8802000 Equity shares of Rs.10/- each fully paid up	880.20	880.20
<b>Total</b>	<b>880.20</b>	<b>880.20</b>

### 3.5 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2021		March 31, 2020	
	No. of Shares	INR Lakh	No. of Shares	INR Lakh
At the beginning of the year	88,02,000	880.20	88,02,000	880.20
Add : Issued during the year	0.00	0.00	0.00	0.00
<b>O/S at the end of the year</b>	<b>88,02,000</b>	<b>880.20</b>	<b>88,02,000</b>	<b>880.20</b>

### 3.6 Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares 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 proportion to the number of equity shares held by the shareholders.

### 3.7 Aggregate number of bonus shares issued, share issued for consideration other than cash during the period of five years immediately preceding the reporting date:

Particulars		
Equity shares allotted as fully paid bonus shares by capitalisation of securities premium and General Reserves in five years immediately preceding the reporting date (200000 shares of Rs.100/- each and 2350000 shares of Rs.10/- each.)	25,50,000	25,50,000

### 3.8 Details of Shareholders holding more than 5% shares in the company

Name of the Shareholder	March 31, 2021		March 31, 2020	
	No. of Shares	% holding	No. of Shares	% holding
Mrs Indubala S. Vora	17,22,700	19.57%	16,98,700	19.30%
Mr. Sachin S. Vora	16,26,000	18.47%	16,02,000	18.20%
Mr. Sumit S. Vora	15,45,030	17.55%	15,39,030	17.49%
SMC Global Securities Ltd.	6,12,000	6.95%	6,93,000	7.87%

#### NOTE 4: Reserves and Surplus

Particulars	March 31, 2021	March 31, 2020
<b>General Reserve</b>	30.00	30.00
<b>Security Premium Account</b>		
Balance as per last Financial statements	342.62	343.30
Add: Amount Received during the year	0.00	0.00
Less: Amount Utilised IPO Expenditure	0.00	(0.69)
	<b>342.62</b>	<b>342.62</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last Financial statements	677.41	780.62
Add: Prior Period Adjustment	0.00	0.00
Add: Profit/ (Loss) for the period	(13.28)	(103.21)
Balance available for appropriation	<b>664.13</b>	<b>677.41</b>
Less: Appropriation	(1.81)	(2.17)
	<b>662.32</b>	<b>675.24</b>
	<b>1047.86</b>	<b>1,047.86</b>

**NOTE 5: Long Term Borrowings**

	Particulars	Non-current portion		Current maturities	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	<b>SECURED</b>				
(i)	Aditya Birla: A/C No.00600350111308	53.27	0.00	12.59	0.00
	Aditya Birla: A/C No.80001677	282.40	306.42	23.91	21.22
	Cosmos: A/C No. 00580152189 Vehicle Loan	0.00	0.00	0.00	7.23
	EFL: Loan 100-790917-2020-2-1	58.47	0.00	22.29	0.00
	HDFC: Term Loan A/C No. 81214829	0.00	0.00	1.74	16.51
	HDFC: Term Loan A/C No. 81260322	0.00	0.00	3.95	17.15
	HDFC: Term Loan A/C No. 81600701	0.00	0.00	0.00	20.30
	HDFC: Term Loan A/C No. 83656442	143.07	116.40	33.58	11.06
	HDFC: Term Loan A/C No. Eclgs-8130923	73.66	0.00	21.68	0.00
	SCB: Term Loan A/C No. 51294176	12.82	27.27	13.55	11.51
	Siemens Financial: A/C No. A9348834	0.00	0.00	11.18	0.00
	Siemens Financial: A/C No. A9348835	32.83	0.00	24.72	0.00
	Tata Capital: A/C No. 20571389	3.89	7.23	3.34	3.34
	Tata Capital: A/C No. 20644102	17.48	33.61	16.13	16.13
	Tata Capital: A/C No. 20780531	8.32	16.01	7.69	7.69
	Tata Capital: A/C No. 21788892	26.00	50.00	24.00	24.00
	Tata Capital: A/C No. 21794544	43.61	64.54	20.93	20.93
	Tata Capital: A/C No. GECL 21816300	40.24	0.00	9.66	0.00
	Tata Capital: Buyers Credit / Suppliers Credit	523.43	504.72	0.00	0.00
	Kotak Mahindra Bank : Term Loan	116.64	154.85	15.32	19.49
	Kotak Mahindra Bank : GECL Loan	23.16	0.00	6.84	0.00
	<b>Subtotal - Secured Loans</b>	<b>1,459.29</b>	<b>1,281.05</b>	<b>273.10</b>	<b>196.57</b>
	<b>UNSECURED</b>				
	Loans and Advances from Directors	560.00	580.00	0.00	0.00
	Loans and Advances from Other related parties	0.00	0.00	0.00	0.00
	<b>Subtotal - Unsecured Loans</b>	<b>560.00</b>	<b>580.00</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Rs.</b>	<b>2,019.29</b>	<b>1,861.05</b>	<b>273.10</b>	<b>196.57</b>

- **Term Loan from HDFC BANK (Account Nos. 81214831, 81214829, 81260322, 81600701, 83656442, 81214825)** - loan is availed from HDFC bank for Plant and Machinery. secured by way of first mortgage /charge on the plant and machinery and mortgage of immovable property situated at Gat No. 267/B/1, Pirangut, Pune.
- **Term Loan Account SCB 51294176** - loan is availed from Standard Chartered bank as working capital requirement This loan is secured by way of first mortgage /charge on Flat owned by Director Situated at Isha Pearl, Kodhwa, Pune.
- **Term Loan Account 20571389, 20644102, 20780531, 20788892, 21794544** - loan is availed from TATA Capital for Machinery. This loan is secured by way of first mortgage /charge on the machinery Purchased.
- **TATA CAPITAL: SUPPLIERS CREDIT** - this is a supplier Credit availed from TATA Capital for purchase of Machinery The Loan is secured by Mortgage of Machinery, The supplier credit maturity is in Mar 2021 and on maturity will be converted to Term Loan.
- **ABFL : A/C NO.00600350111308, TATA CAPITAL A/c 21816300 and HDFC A/c 8130923** : These loans are availed under Guaranteed Emergency Credit Line (GECL) as made available during COVID-19 crisis to augment their net-working capital.
- **Aditya Birla: 80001677**: This loan is availed for the Purchase of Industrial Land at Gat no 1121, Pirangut Pune. This loan is secured by way of first mortgage / charge on the Land Purchased.
- **EFL: Loan 100-790917-2020-2-1**: -This Credit is availed from Electronica Finance Limited for purchase of Machinery The Loan is secured by Mortgage of Machinery.
- Subsidiary is having term loan on mortgage of Property which is financed by Kotak Bank. TL and the same is secured by first mortgage charge /on the immovable property situated at Bhosari MIDC, Pune
- Subsidiary is using OD facility from Kotak bank, secured by mortgage on property

**NOTE 6: Deferred Tax Liability**

	Particulars	March 31, 2021	March 31, 2020
	<b>Deferred Tax Liability</b>		
	Balance as per last financial statements	84.20	118.58
	Add/Less: Current Year deferred tax charge	(8.00)	(34.78)
	<b>Total</b>	<b>76.20</b>	<b>84.20</b>

The Deferred tax income for the current period is of Rs. 8,00,114.34 has been Charged to the Profit & Loss Statement.

Particulars	Deferred tax liability/(Asset) as at 01.04.2020	Current Year Charge	Deferred Tax Liability/ (Asset) as at 31.03.2021
Property, Plant & Equipment Liability	128.90	42.42	171.31
Gratuity (Disallowance) Asset	(2.23)	1.85	(0.38)
Deferred Tax Asset B/ F Loss (Asset)	(42.46)	(52.27)	(94.73)
<b>Total</b>	<b>84.20</b>	<b>(8.00)</b>	<b>76.20</b>

As required by Accounting Standard (AS22), Taxes on Income prescribed by Companies (Accounting Standards) Amendment rules, 2006, the company has recognised deferred taxes, which result from timing differences between book profits and tax profits for the period.

**NOTE 7: Short Term Borrowings**

	Particulars	March 31, 2021	March 31, 2020
	<b>Secured - Working Capital Loan from Bank</b>		
1	HDFC Bank Limited - Cash Credit	339.25	355.21
2	HDFC Bank Limited - Bill Discounting	60.00	0.00
	<b>Total</b>	<b>399.25</b>	<b>355.21</b>

Working capital loan and Bill discounting Facility is secured by hypothecation of present and future stock of raw materials, stock-in-process, finished goods, stores and spares, book debts, outstanding monies, receivables, claims, bills, materials in transit, etc.

**NOTE 8: Trade Payables**

	Particulars	March 31, 2021	March 31, 2020
1	Sundry Creditors – <b>MSME</b>	371.85	240.67
2	Sundry Creditors – <b>NON MSME</b>	676.92	409.99
	<b>Total</b>	<b>1,048.77</b>	<b>650.65</b>

The details of amounts outstanding to Micros, Small and Medium Enterprises based on available information with the company is as under:

	Particulars	March 31, 2021	March 31, 2020
1	Principal amount due and remaining unpaid	0.00	0.00
2	Interest due on above and the unpaid interest	0.00	0.00
3	Interest paid	0.00	0.00
4	Payment made beyond the appointed day during the year	0.00	0.00
5	Interest due and payable for the period of delay	0.00	0.00
6	Interest accrued and remaining unpaid	0.00	0.00
7	Amount of further interest remaining due and payable in succeeding years	0.00	0.00
	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**NOTE 9: Other Current Liabilities**

	<b>Particulars</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
	Interest accrued on Term Loans from bank	3.68	2.82
	Deposits/ Retention Money Payable	0.00	0.00
	Advance received from Customers	3.00	0.00
	Current Maturities Of Long Term Borrowings	273.10	196.57
		<b>279.78</b>	<b>199.39</b>

**NOTE 10: Short Term Provisions**

	<b>Particulars</b>	<b>MARCH 31, 2021</b>	<b>March 31, 2020</b>
	<b>Provisions:</b>		
<b>a.</b>	<b>Income Tax Provision</b>	0.00	0.00
<b>b.</b>	<b>Provision for Employee Benefit</b>		
	Profession Tax	0.33	0.30
	Provident Fund	5.14	5.18
	Salary and Wages	49.53	19.01
		<b>55.00</b>	<b>24.49</b>
<b>c.</b>	<b>Other Provisions</b>		
	TDS and TCS Payable	5.72	2.92
	Audit Fees Payable	1.82	1.83
	Provision for Electricity Charges	27.69	17.84
	GST Payable	81.83	18.75
	Provision for Gratuity	9.44	16.56
	Legal and Professional Fees Payable	0.44	0.43
	Provision – Accrued Liabilities	22.30	1.19
	Provident Fund and ESIC	0.39	0.00
	ESIC : Employees Contribution	0.02	0.02
	Interest Payable	0.67	0.00
		<b>150.31</b>	<b>59.53</b>
	<b>Total Rs.</b>	<b>205.30</b>	<b>84.00</b>

**NOTE 11: Fixed Assets**

	Particulars	March 31, 2021	March 31, 2020
<b>A.</b>	<b>GROSS BLOCK Tangible Assets</b>		
a.	<b>Free hold Land</b>		
	Land – 1	26.83	26.83
	Land – 2	122.65	122.65
	Land – 3	476.05	436.32
	Land – 4 (Bhosari)	1.62	1.62
b.	<b>Buildings</b>		
	Factory Premises – 1	167.35	167.35
	Factory Premises – 2	496.43	496.43
	Factory Premises – 3	98.28	0.00
	Factory Premises – 4 (Bhosari)	15.83	15.83
c.	Plant and Machinery – Kranti	5,674.14	5,461.92
d.	Plant and Machinery – Wonder	632.28	617.28
e.	Electrical Installations – 1	0.00	13.53
f.	Electrical Installations – 2	54.05	47.01
g.	Electrical Installations – 3 (Bhosari)	4.11	9.33
h.	Furniture and Fittings	72.11	102.15
i.	Vehicles – Others	28.86	34.89
j.	Office Equipment	15.48	22.35
k.	Computers	10.65	20.34
l.	Tools and Fixtures	131.30	160.43
j.	EPABX System	0.00	0.24
	<b>Total Tangible Assets</b>	<b>8,028.01</b>	<b>7,756.50</b>
	<b>Intangible Assets</b>		
k.	Trademark	0.30	0.30
l.	Software	19.53	16.52
	<b>Total Intangible Assets</b>	<b>19.82</b>	<b>16.82</b>
m.	Capital Work in Progress	<b>0.00</b>	<b>1.35</b>
	<b>Total Gross Block</b>	<b>8,047.84</b>	<b>7,774.67</b>
<b>B.</b>	<b>Depreciation Block</b>		
a.	Factory Premises – 1	126.46	123.70
b.	Factory Premises – 2	242.62	222.29
c.	Factory Premises – 3	0.00	0.00
d.	Factory Premises – 4 (WONDER)	11.68	11.24
e.	Plant and Machinery – Kranti	3,541.43	3,326.39
f.	Plant and Machinery – Wonder	464.04	436.94
g.	Electrical Installations – 1	0.00	12.85
h.	Electrical Installations – 2	37.63	34.46
i.	Electrical Installations – 3 (Bhosari)	2.90	7.41
j.	Furniture and Fittings	56.92	80.26
k.	Vehicles – Others	20.90	22.81
l.	Office Equipment	11.08	18.00
m.	Computers	7.88	17.66
n.	Tools and Fixtures	54.69	84.02
o.	EPABX System	0.00	0.24
p.	Trademark	0.25	0.23
q.	Softwares	8.45	5.36
	<b>Total Depreciation Block</b>	<b>4,586.92</b>	<b>4,403.86</b>
	<b>Total NET Block of FIXED ASSETS</b>	<b>3,460.92</b>	<b>3,370.81</b>



**NOTE 12: Investments**

	Particulars	March 31, 2021	March 31, 2020
	<b>Non-Current Investments</b>		
a.	Unquoted Shares - Cosmos Co-operative Bank Limited	8.20	8.20
b.	Unquoted Shares – The Shamrao Vitthal Co-operative Bank Limited	0.10	0.10
c.	<b>Equity Shares of Associate Company</b>		
	Kranti SFCI Pvt Ltd (Net of Post-acquisition profit / (Loss) in associates)	0.00	6.87
c.	<b>Bank Fixed Deposits</b>	157.61	58.99
	<b>Total Investments</b>	<b>165.91</b>	<b>74.16</b>

Above-mentioned are Long term investments and carried at cost.

**NOTE 13: Long Term Loans and Advances**

	Particulars	March 31, 2021	March 31, 2020
	<b>Security Deposits</b>		
a.	Secured and Considered Good	0.00	0.00
b.	<b>Unsecured and Considered Good</b>		
	Deposit with MSEDCL	21.19	21.19
	Deposit with RCF Kapurthala	0.00	0.08
	Deposit Against Rental Shed	1.65	0.00
	Deposit with TCSFL	8.75	8.75
	Deposit with Electronica finance Limited	2.56	0.00
	Aditya Birla Sun Life Liquid Fund	2.24	0.00
	Aditya Birla Short Term Opportunities Fund	11.69	10.61
c.	Loans to Related Parties – WPPL	0.00	0.00
d.	Advance to SFSPPL against Lease	67.28	124.49
	<b>Total Long-Term Loans and Advances</b>	<b>115.36</b>	<b>165.11</b>

**NOTE 14: Other Non-Current Assets**

	Particulars	March 31, 2021	March 31, 2020
A.	Balance with Income Tax Authorities	33.14	27.05
B.	MAT Credit Entitlement	25.03	25.03
C.	MVAT Balance	30.15	42.02
	<b>Total Other Non-Current Assets</b>	<b>88.33</b>	<b>94.11</b>

**NOTE 15: Inventories**

	Particulars	March 31, 2021	March 31, 2020
	Raw Materials, Components, Consumables	605.47	547.08
	Work-in-progress, Stores and Spares	193.05	171.72
	<b>Total</b>	<b>798.52</b>	<b>718.80</b>

**NOTE 16: Trade Receivables**

	Particulars	March 31, 2021	March 31, 2020
	<b>Outstanding for a period exceeding six months from the date they are due for payment.</b>		
	Secured and Considered Good	0.00	0.00
	Unsecured and Considered Good	35.00	23.46
	<b>Other Receivables</b>		
	Secured and Considered Good	0.00	0.00
	Unsecured and Considered Good	889.54	341.13
	<b>Total</b>	<b>924.54</b>	<b>364.59</b>

**NOTE 17: Cash and Bank Balances**

	Particulars	March 31, 2021	March 31, 2020
	<b>Cash in Hand</b>	0.74	2.64
	<b>Balance with Bank</b>		
	Current Accounts	0.44	4.90
	Other Bank Balances	0.00	0.00
	Deposits with maturity of less than 3 months	0.00	0.00
	<b>Total Cash and Bank Balance</b>	<b>1.19</b>	<b>7.55</b>

**NOTE 18: Short term Loan and Advances**

	Particulars	March 31, 2021	March 31, 2020
	<b>Loans and advances to suppliers</b>		
	Advance to Creditors	46.09	25.42
	<b>Unsecured and considered good</b>		
	Loans to Employees	0.86	0.51
	<b>Deposits</b>	0.00	0.00
	<b>Total Short-Term Loan and Advances</b>	<b>46.96</b>	<b>25.93</b>

**NOTE 19: Other Current Assets**

	Particulars	MARCH 31, 2021	March 31, 2020
	Prepaid Expenses	20.85	19.18
	Provision: Interest Receivable	0.72	1.92
	<b>Total Other Current Assets</b>	<b>21.57</b>	<b>21.09</b>

**NOTE 20: Revenue from Operations**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	<b>Sales and labour Charges Net off Taxes</b>	5,377.27	4,701.32
	<b>Other Operational Incomes</b>		
	Scrap Sale	222.65	172.53
	Cash Discount Received	22.73	22.52
	<b>Total Revenue from Operations</b>	<b>5,622.65</b>	<b>4,896.37</b>

**NOTE 21: Other Income**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Interest on Deposits	7.81	4.29
	Interest on income Tax Refunds	0.29	0.68
	Profit on Sale of Asset	32.60	24.13
	Dividend on Shares	0.22	0.01
	<b>Total Other Income</b>	<b>40.92</b>	<b>29.11</b>

**NOTE 22: Cost of Material Consumed**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	<b>Material Consumed</b>		
	Opening Stock of Raw Material and Consumables	547.08	437.23
	Add : Purchases During the Year	3,388.53	2,991.06
		<b>3,935.61</b>	<b>3,428.29</b>
	Freight and Octroi	24.94	23.84
	<b>Less :</b>		
	Closing Stock of Raw Material and Consumables	605.47	547.08
	<b>Total Cost of Material Consumed</b>	<b>3,355.08</b>	<b>2,905.05</b>

**NOTE 23: Changes in Inventories of Finished Goods and Work-In-Progress**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Opening Work-in-Progress	171.72	115.25
	Less: Closing Work-in-Progress	193.05	171.72
	<b>Total</b>	<b>(21.33)</b>	<b>(56.46)</b>

**NOTE 24: Other Manufacturing and Operating Expenses**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Power and Fuel	280.73	264.99
	Repairs and Machinery	150.50	128.99
	Job work and labour charges	136.61	106.29
	Lease Rental	61.26	144.98
	Other manufacturing expenses - Packing Material	101.70	99.73
	<b>Total</b>	<b>730.80</b>	<b>744.98</b>

**NOTE 25: Employee Benefits Expenses**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Salary and Wages	695.04	600.08
	Bonus and Incentives	30.81	23.86
	Gratuity Paid	3.43	12.95
	Provident Fund Contribution	28.05	31.60
	ESIC Contribution	3.82	5.78
	Welfare Fund	0.06	0.08
	Staff Welfare Expenses	4.93	5.21
	Director's Remuneration	31.37	47.70
	<b>Total</b>	<b>797.52</b>	<b>727.25</b>

**NOTE 26: Sales Administration and Other Expenses**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Advertisement	0.21	0.20
	Audit Fees	2.19	2.19
	Conveyance and Travelling	7.41	10.31
	Insurance	7.83	8.81
	Interest Paid on Govt. Dues	0.00	2.75
	Legal and Professional Fees	13.31	8.81
	Legal Expenses	8.66	0.03
	Office Expenses	25.19	19.82
	Postage and Courier	0.08	0.17
	Printing and Stationery	3.66	5.28
	Profession Tax	0.05	0.05
	Rates and Taxes	3.15	3.70
	Repairs and Maintenance	8.49	9.76
	Sales Promotion, entertainment	26.68	15.50
	Security Charges	16.74	15.59
	Housekeeping Expenses	14.75	13.72
	Subscription and Contribution	1.98	2.07
	Transport Charges	95.44	117.30
	Telephone Expense	2.17	2.21
	Water Charges	5.99	5.48
	Foreign Currency Gain/Loss	0.05	0.18
	Accounts / Liability Written Back	10.15	4.02
	Donations	0.15	0.00
	Ceremony Expenses	0.19	0.00
	<b>Total</b>	<b>254.52</b>	<b>248.14</b>

**NOTE 27: Finance Costs**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Interest on Term Loan	71.45	48.94
	Interest on Cash Credit, Bill Discounting	117.98	110.25
	Interest on Unsecured Loans and Deposits	0.00	8.83
	Bank Charges	2.44	2.95
	<b>Total</b>	<b>191.87</b>	<b>170.97</b>

**NOTE 28: Depreciation**

	Particulars	For the Financial Year 2020-21	For the Financial Year 2019-20
	Factory Premises – 1	2.76	2.96
	Factory Premises – 2	20.33	22.06
	Factory Premises – 3 Bhosari	0.44	0.48
	Plant and Machinery	303.91	248.39
	Electrical Installations – 1	0.00	0.07
	Electrical Installations – 2	3.16	3.58
	Electrical Installation – 3 Bhosari	0.51	0.71
	Furniture and Fittings	5.33	7.20
	Vehicles – Others	3.72	5.78
	Office Equipment	2.15	2.09
	Computers	1.48	1.49
	Tools and Fixtures	22.24	17.62
	Trademark	0.02	0.02
	Software	3.10	3.11
	<b>Total</b>	<b>369.16</b>	<b>315.55</b>

**NOTE 29: Related Party Disclosure:**

a) Names of related parties - Key Managerial Persons (KMP)

Mr. Sachin Vora (Chairman & Managing Director)

Mr. Sumit Vora (Executive Director)

Smt. Indubala Vora (Non-Executive Director)

Mrs. Sheela Dhawale (Chief Financial Officer)

Mr. Bhavesh Selarka (Company Secretary)

**29.1.1 Transactions with Related parties:**

Particulars	For the Year 2020-21			For the Year 2019-20		
	Nature of Payment		Loan O/s as on 31.03.2021	Nature of Payment		Loan O/s as on 31.03.2020
<b>Directors</b>	<b>Interest</b>	<b>Salary</b>		<b>Interest</b>	<b>Salary</b>	
Sachin Vora	-	16.94	153.00	-	23.34	161.00
Sumit Vora	-	16.98	87.00	-	23.34	97.00
Indubala S Vora	-	0.25	320.00	-	-	322.00
Relatives of Directors	-	15.44	-	8.83	14.82	-
<b>Key Managerial Personnel</b>						
Sheela Dhawale - Chief Financial Officer	-	10.93	-	-	10.20	-
Bhavesh Selarka - Compliance Officer	-	4.63	-	-	5.21	-
Relatives of Key Managerial Personnel	-	-	-	-	-	-
<b>Gross Transaction Value</b>	<b>0.00</b>	<b>65.18</b>	<b>560.00</b>	<b>8.83</b>	<b>76.91</b>	<b>580.00</b>

- Related party relationship is as identified by the Company and relied upon by the Auditors, no amounts have been written off/back and provided for in respect of related party during the year.

**NOTE 30: Earnings Per Share (EPS)**

The Earnings per share calculated as per AS-20 is shown below:

Earnings per Share	March 31, 2021	March 31, 2020
Profit/(Loss) Attributable to Shareholders	(6.41)	(103.20)
No of Equity Shares	88,02,000	88,02,000
Basic and Diluted Earnings Per Share	(0.07)	(1.17)

**NOTE 31: Contingent Liabilities**

As per the Information provided to us there is no contingent liability as on the date.

Pending Litigation:

Sr. No	Act	Nature of Dues	Amount in INR Lakh	Period to which amounts Relates	Forum where the dispute is pending
1.	Income Tax Act	Income Tax Dues	14.42	A.Y 2015-16	Commissioner (Appeals) - Pune

Company have deposited the total dues with authorities, Appeal is in process at CIT Income Tax.

**NOTE 32: Value of imports calculated on CIF basis:**

Particulars	During F.Y 2020-21	During F.Y 2019- 20
Capital Goods	0.76	559.20
Raw Material	2.05	0.00

**NOTE 33: Expenditure in Foreign Currency:**

Particulars	As on March 31, 2021	As on March 31, 2020
Spares for Repairs	0.00	0.00
Travelling Expense	0.00	0.64
Packing Material	0.35	0.00
Advance for Capital Goods and Material	0.00	1.99

**NOTE 34: Earnings in Foreign Currency:**

The Earning in Foreign Currency is Export Sales of Rs. 13.14 Lakh.

**NOTE 35: Managerial Remuneration**

Managerial Remuneration paid during the period is as follows:

Particulars	As on March 31, 2021	As on March 31, 2020
Director's Remuneration, (Including Incentive and Bonus)	34.17	46.67
Interest on Loan	-	-
Total	34.17	46.67

**NOTE 36: Deferred Tax:**

In accordance with Accounting Standard 22, 'Accounting for Taxes on Income', the Company has a net deferred tax liability, and it has been recognized properly in the accounts.

Particulars	As on March 31, 2021	As on March 31, 2020
Balance as per Last Balance Sheet	84.20	118.58
Add / Less: Current year	(8.00)	(34.38)
Net Deferred Tax Liability / (-)Asset	76.19	84.20

Particulars	Deferred tax (liability) / Asset as at 01.04.2020	Current Year Charge	Deferred Tax Liability as at 31.03.2021
Property, Plant & Equipment	128.90	42.41	171.31
Gratuity (Disallowance)	(2.23)	1.85	(0.38)
Deferred Tax Asset B/ F Loss (Asset)	(42.46)	(52.27)	(94.73)
Total	84.20	(8.00)	76.19

**NOTE 37: Payment to Auditors:**

Particulars	As on March 31, 2021	As on March 31, 2020
Statutory Audit	1.38	1.38
Tax Auditor	0.40	0.40
MVAT Auditor	0.00	0.00
GST Auditor	0.40	0.40
As advisor, or in any other capacity	0.00	0.00
Total	2.18	2.18

Mentioned Amounts are exclusive of Indirect Taxes

**NOTE 38: Value of Imported and Indigenous raw material consumed:**

Particulars	31/03/2021		31/03/2020	
	% of Total Consumption	Value	% of Total Consumption	Value
Raw Material				
Imported	0.00%	0.00	0.00%	0.00
Indigenously procured	100%	3,355.08	100%	2,905.04
Total	100%	3,355.08	100%	2,905.04

**NOTE 39: Employee Benefits:**
**Defined contribution plans**

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per local regulations. The contributions are made to provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further neither contractual nor any constructive obligation. Contributions are made to employee's family pension fund in India for employees as per local regulations. The contributions are made



to provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further neither contractual nor any constructive obligation.

The Company has recognized the following amount in the Statement of Profit and Loss for the year.

Particulars	As on March 31, 2021	As on March 31, 2020
Contribution to Employees Provident Fund	28.05	31.60
Contribution to other Funds (ESIC, Labor welfare funds)	3.89	5.86
<b>Total</b>	<b>31.94</b>	<b>37.46</b>

### Post-employment obligations

#### Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to fund managed by Life Insurance Corporation of India. Contributions are made as per the working by LIC of India. The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the year are as follows

### III. ASSUMPTIONS

	As of 31/03/2020	As of 31/03/2021
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	6.80%	7.00%
Rate of increase in compensation levels	5.00%	5.00%
Expected rate of return on plan assets	7.80%	7.25%
Expected average remaining working lives of employees (in years)	19.09 *	18.93 *
Retirement Age	58 years	58 years
Withdrawal Rate		
Age upto 30 years	3.00%	3.00%
Age 31 - 40 years	2.00%	2.00%
Age 41 - 45 years	2.00%	2.00%
Age above 45 years	1.00%	1.00%

\* It is actuarially calculated term of the plan using probabilities of death, withdrawal and retirement.

### IV. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS:

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Present value of obligation as at the beginning of the period	44.77	59.84

Acquisition adjustment	-	-
Transfer In / (Out)	-	-
Interest cost	3.49	4.05
Past service cost	-	-
Current service cost	5.74	7.51
Curtailement Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits paid	-	(0.54)
Actuarial (Gain) / Loss on obligations	5.83	(4.16)
Present value of obligation as at the end of the period	59.84	66.68

#### X. TABLE SHOWING CHANGES IN FAIR VALUE OF PLAN ASSETS:

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Fair value of plan assets at the beginning	33.70	43.27
Acquisition adjustments	-	-
Transfer In / (Out)	-	-
Expected return on plan assets	2.90	3.54
Contributions	7.00	11.60
Mortality Charges and Taxes	-0.11	-0.35
Benefits paid	-	-
Amount paid on settlement	-	-
Actuarial Gain / (Loss) on plan assets	-0.21	-0.23
Fair value of plan assets at the end of the period	43.27	57.28
Actual return on plan assets	2.69	3.30

#### XI. ACTUARIAL (GAIN) / LOSS RECOGNIZED

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Actuarial (Gain) / loss for the period - Obligations	5.83	-4.16
Actuarial (Gain) / Loss for the period - Plan assets	0.21	0.23
Total (Gain) / Loss for the period	6.04	-3.93
Actuarial (Gain) / Loss recognized in the period	6.04	-3.93
Unrecognized actuarial (Gain) / Loss at the end of the period	-	-

#### XII. THE AMOUNTS TO BE RECOGNIZED IN THE BALANCE SHEET:

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Present value of obligation at the end of period	59.84	66.68
Fair value of the plan assets at the end of period	43.27	57.28

Surplus / (Deficit)	-16.56	-9.40
Current liability	16.56	9.40
Non-current liability	43.27	57.28
Unrecognized past service cost	-	-
Amount not recognized as asset (Para 59(b) limit)	-	-
Net asset / (liability) recognized in balance sheet	-16.56	-9.40

### XIII. EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Current service cost	5.74	7.51
Acquisition (Gain) / Loss	-	-
Past service cost	-	-
Interest cost	3.49	4.05
Expected return on plan assets	-2.90	-3.53
Curtailment (Gain) / Loss	-	-
Settlement (Gain) / Loss	-	-
Transfer In / (Out)	-	-
Actuarial (Gain) / Loss recognized in the period	6.04	-3.93
Expenses recognized in the statement of profit & loss at the end of period	12.37	4.09

### XIV. RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNIZED

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Net asset / (liability) recognized at the beginning of the period	-11.08	-16.56
Company Contributions	7.00	11.60
Benefits directly paid by Company	-	-
Expense recognized at the end of period	-12.37	-4.09
Unrecognized past service cost	-	-
Mortality Charges and Taxes	-0.11	-0.35
Impact of Transfer (In) / Out	-	-
Net asset / (liability) recognized at the end of the period	-16.56	-9.40

### XV. EXPERIENCE ADJUSTMENT HISTORY FOR 5 YEARS

Experience History	31/03/2017	31/03/2018	31/03/2019	31/03/2020	31/03/2021
Present value of obligation	27.65	35.48	44.77	59.84	66.68
Plan assets	18.61	27.18	33.70	43.27	57.28
Surplus / (Deficit)	-9.04	-8.30	-11.08	-16.56	-9.40

Experience (Gain) or Loss on plan liabilities	0.53	1.57	1.81	-2.50	-2.14
Experience (Gain) or Loss on plan assets	-0.00	0.27	0.03	0.21	-0.03

**XVI. MAJOR CATEGORIES OF PLAN ASSETS (AS % OF TOTAL PLAN ASSETS):**

For the period	01/04/2019 to 31/03/2020	01/04/2020 to 31/03/2021
Government of India securities	0.00%	0.00%
High quality corporate bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special deposit scheme	0.00%	0.00%
Funds managed by insurer	100.00%	100.00%
Others	0.00%	0.00%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

**43** Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue Principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

**44** Other notes as required by Schedule III of the Act are either nil or not applicable hence not disclosed.

**45** Previous period figures have been regrouped, recast / rearranged wherever necessary in order to conform to the current year's presentation.

# NOTICE

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**Dated: July 12, 2021**

**Dear Member,**

You are cordially invited to attend the **26<sup>th</sup> Annual General Meeting** of the members of Kranti Industries Limited ('the Company') to be held on Tuesday, 10<sup>th</sup> August, 2021 at 03:30 PM IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The Notice of the meeting, containing business to be transacted, along with explanatory statement thereon.

As per Section 108 of the Companies Act 2013, read with the related Rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice

**Sincerely,**

**By order of the Board of Directors  
KRANTI INDUSTRIES LIMITED**

**Sd/-  
SACHIN SUBHASH VORA  
CHAIRMAN AND MANAGING DIRECTOR  
(DIN: 02002468)**

**Enclosures-**

1. Notice of the 26<sup>th</sup> AGM along with Notes
2. Instructions for E-voting & Attending the AGM through VC/OAVM
3. Instructions for Shareholders/Members to speak during the AGM through InstaMeet.
4. Instructions for Shareholders/Members to vote during the AGM through InstaMeet.
5. Guidelines to attend AGM through InstaMeet.
6. Statement pursuant to section 102(1) of the Companies Act, 2013
7. Disclosure under regulation 36(3) and SS-II

# NOTICE For 26<sup>th</sup> Annual General Meeting

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NOTICE is hereby given that the 26<sup>th</sup> Annual General Meeting of the members of KRANTI INDUSTRIES LIMITED (“the Company”) will be held on Tuesday, August 10, 2021 at 3.30 P.M. IST through VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM) to transact the following business:-

## ORDINARY BUSINESS:

### Item No.1 → Adoption of financial statements

To consider and adopt:

- a. The audited standalone financial statements of the Company for the financial year ended **March 31, 2021** and the reports of Board of Directors (‘the Board’) and auditors thereon; and
- b. The audited consolidated financial statements of the Company for the financial year ended **March 31, 2021** and the report of auditors’ thereon.

### Item No.2 → To appoint Mr Sachin Subhash Vora (DIN:02002468) who retire by rotation as a Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr Sachin Subhash Vora (DIN: 02002468), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company.”

## SPECIAL BUSINESS:

### Item No.3 → To re-appoint Mr. Sachin Subhash Vora (DIN: 02002468) as a Managing Director of the Company.

To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification(s) or re- enactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded to re-appoint Mr. Sachin Subhash Vora (DIN: 02002468) as a Managing Director of the Company, for a period of 5 (five) years, i.e. with effect from November 26, 2020, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with

liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Sachin Subhash Vora, subject to the same not exceeding the limit specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Item No.4 → To re-appoint Mr. Sumit Subhash Vora (DIN: 02002416) as a Whole Time Director of the Company.**

**To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:**

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modification(s) or re- enactment(s) thereof for the time being in force), approval of the members of the Company be and is hereby accorded to re-appoint Mr. Sumit Subhash Vora (DIN: 02002416) as a Whole Time Director of the Company, for a period of 5 (five) years, i.e. with effect from November 26, 2020, on the terms and conditions including remuneration as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Sumit Subhash Vora, subject to the same not exceeding the limit specified under Schedule V to the Companies Act, 2013 or any statutory modifications or re-enactment(s) thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**Item No.5 → To Migrate the Company’s listed Equity Shares from SME Platform of BSE Limited to the Main Board of BSE Limited.**

**To consider and if thought fit, to pass with or without modifications, the following resolution a Special Resolution:**

“**RESOLVED THAT** pursuant to the Regulation 277 and other relevant provisions, laid down in Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; the applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations/ guidelines notified by SEBI/ regulatory authorities



from time to time for Migration to the Main Board of Stock Exchange, subject to the approval of Statutory authorities if any, the consent of the members of the Company be and is hereby accorded for migration of 1,05,62,400 number of equity shares of Company having a face value of Rs 10/- per equity shares which are currently listed on BSE- SME Platform to the Main Board of BSE Limited and upon Migration the said Equity Shares be get listed and traded on the Main Board of BSE, from the date to Migration and admitted to trade on BSE Main Board.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and the Company Secretary be and are hereby authorized jointly and/or severally to deal with any Government or Semi-Government authorities or any other concerned intermediaries including but not limited to BSE Limited, Securities and Exchange Board of India, Registrar of Companies, to apply, modify, rectify and submit any application and/or related documents on behalf of the Company for migration of the Company's present listing of Equity Shares from SME Platform of BSE Limited to the Main Board of BSE Limited.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as may be necessary, expedient or desirable and to settle all questions or difficulties whatsoever that may arise in this regard."

**Item No.6 → To create charges, mortgages, hypothecation on the immovable and movable properties / assets of the Company under Section 180 (1) (a) of the Companies Act, 2013**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, amendment(s) or re-enactment(s) thereof, for the time being in force) and any rules and regulations made thereunder and subject to other approvals and permissions as may be required, under any statute(s)/rule(s)/regulation(s) or any law for the time being in force or required from any other concerned authorities, the consent of the members of the Company be and is hereby accorded to the Board of Directors("Board") of the Company to pledge, mortgage, lien, hypothecate and/or create charge, whether fixed or floating (in addition to any other hypothecation, pledge, lien, mortgage, charges created/to be created by the Company), in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the immovable properties and movable assets (both tangible and intangible) of the Company, both present and future, and the whole or substantially the whole of the undertaking(s) or any properties of the Company where so ever situated, in favor of banks, financial institutions, investors, debenture holders or any other lenders and their agents or trustees (together, the "Lenders") to secure any borrowings, debentures, financial assistance or financial indebtedness availed by the Company or any third party from time to time (including without limitation, the due payment of the principal and/or together with interest, at the respective agreed rates, additional interest, compound interest, accumulated interest, liquidated damages, commitment charges, remuneration of the agent(s), trustee(s), prepayment premium, all other costs, charges and expenses and all other monies payable by the Company) (together, the "Financial Indebtedness") in terms of

the financing documents, or any other documents, entered into or to be entered into between the Company and any Lender(s) in respect of the Financial Indebtedness, on such terms and conditions as may be agreed between the Company and any Lender(s), provided that the maximum extent of the Financial Indebtedness secured by the assets of the Company as and whenever required.

**RESOLVED FURTHER THAT** the pledge, mortgage, lien, hypothecation and/or charge created or to be created and all agreements, deeds, instruments or documents executed or to be executed and all acts necessary in terms of this resolution required to be done by the Company or the Board are hereby approved, confirmed and ratified.

**RESOLVED FURTHER THAT** the Board (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deed, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution.”

**By order of the Board of Directors  
KRANTI INDUSTRIES LIMITED**

Sd/-

**SACHIN SUBHASH VORA  
CHAIRMAN & MANAGING DIRECTOR  
(DIN: 02002468)**

**DATE: July 09, 2021  
PLACE: PUNE**

## NOTES

1. Considering the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020 and January 13, 2021 (collectively referred to as “MCA Circulars”) and Circular no. SEBI / HO/ CFD/ CMD1/ CIR/ P/ 2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the AGM, in annexed hereto.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. Since this AGM is being held, pursuant to the MCA Circulars, through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 07th May, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed at the Annual General Meeting of the Company held on 23rd August, 2019.
6. In terms of the provisions of Section 152 of the Act, Mr. Sachin Subhash Vora (DIN: 02002468), Director, retire by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company commend his respective re-appointment.

Mr. Sachin Subhash Vora (DIN: 02002468) is interested in the Ordinary Resolution set out at Item No. 2 of the Notice with regard to his re-appointment. Mr. Sumit Subhash Vora, being Executive Director and Mrs. Indubala Subhash Vora, being Non-Executive Director, being related to Mr. Sachin Subhash Vora, may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. The other relatives of Mr. Sachin Subhash Vora (DIN: 02002468) may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned

or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 & 2 of the Notice

7. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the “Annexure” to the Notice.
8. In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021 read with Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company’s website at [www.krantiindustries.com](http://www.krantiindustries.com), websites of Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.
9. For receiving all communication (including Annual Report) from the Company electronically: Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participant.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM.
11. Register of Members and Share Transfer Books will remain closed from August 3, 2021 to August 10, 2021 (both days inclusive) for the purpose of 26th Annual General Meeting.
12. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the Cut-off date may obtain the login ID and password by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.
13. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting for limited time each, once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.
14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 1 week in advance through email on [cs@krantiindustries.com](mailto:cs@krantiindustries.com) The same will be replied by the Company suitably.

15. The members are requested to notify change of address, if any, to the Company's Registrar and Transfer Agent.
16. Members attending the Meeting through VC/OAVM will be counted for the purposes of reckoning of Quorum under Section 103 of the Companies Act, 2013.
17. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at [cs@krantiindustries.com](mailto:cs@krantiindustries.com)
18. Members who are shareholders as on August 03rd, 2021 can join the AGM 15 minutes before the commencement of the AGM i.e at 3.15 P.M and till the time of the conclusion of the Meeting by following the procedure mentioned in this Notice.
19. The information required to be provided under the SEBI (Listing Obligations and Disclosure Requirement Regulations), 2015 and the Secretarial Standards on General Meetings and the related Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under items No. 3 4 5 & 6 set out above are annexed hereto.
20. In compliance with the Circulars, the Annual Report 2020-21, the Notice of the 26th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depository participant(s).
21. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to contact their respective DP and register their email addresses with their respective depository participants, as per the process advised by their respective DP.
22. Investor Grievance Redressal: The Company has designated an exclusive e-mail id viz. [investor@krantiindustries.com](mailto:investor@krantiindustries.com) to enable Investors to register their complaints, if any.
23. As per Securities and Exchange Board of India (SEBI) notification, submission of Permanent Account Number (PAN) is compulsorily required for participating in the securities market, deletion of name of deceased shareholder or transmission/transposition of shares. Members holding shares in dematerialized mode are requested to submit PAN details to their Depository Participant, whereas Members holding shares in physical form are requested to submit the PAN details to the Company's Registrar & Transfer Agent.
24. The Board of Directors of the Company have appointed Mr. Siddharth Bogawat, Chartered Accountant (ICAI Membership No. 134134) as Scrutinizer to scrutinize the remote e-voting process as in a fair and transparent manner, and he has communicated his willingness to be appointed and will be available for the said purpose.

After the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), the Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, and RTA and will also be displayed on the Company's website.

## INSTRUCTIONS FOR E-VOTING AND ATTENDING THE AGM THROUGH VC/OAVM:

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 the Companies (Management and Administration) Rules, 2014, and the provisions of Regulation 44 of the SEBI Listing Regulations, Members are provided with the facility to cast their vote on all items/resolutions set forth in this Notice, through remote e-voting (i.e. facility of casting votes by using an electronic voting system from a place other than the venue of AGM) or e-voting during the AGM, at Link Intime India Pvt. Ltd.'s e-voting platform. Members are provided with facility to attend the AGM through VC/OAVM facility provided by Link Intime India Pvt. Ltd.

The remote e-voting period will begin on, **Saturday, August 07, 2021, at 9:00 a.m.** and end on **Monday, August 09, 2021, at 5:00 pm.**

During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, August 03, 2021 may cast their vote electronically. The e-Voting module shall be disabled by Link Intime India Pvt. Ltd. (LIPL) for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the AGM.

**Detailed Instructions for casting votes through e-voting system and attending the AGM through VC/OAVM are as:**

### REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

1. **Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>**

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details: -

A. **User ID:** Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Event No + Folio Number** registered with the Company

- B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.



- C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP /Company - in DD/MM/YYYY format)
- D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.
- Shareholders/ members holding shares in **CDSL Demat account shall provide either 'C' or 'D', above**
  - Shareholders/ members holding shares in **NSDL Demat account shall provide 'D', above**
  - Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
  - Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
  - Click "confirm" (Your password is now generated).

**NOTE:** If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login

2. Click on '**Login**' under '**SHARE HOLDER**' tab
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
4. After successful login, you will be able to see the notification for e-voting. Select '**Kranti Industries Limited/** Event Code: 210135
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option 'Favor / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
7. After selecting the desired option i.e. Favor / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

**If you have forgotten the password:**

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event". Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account. In case shareholders/ members have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 -4918 6000.

### PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- Select the "Company" and 'Event Date' and register with your following details: -
  - A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No.
  - Shareholders/ members holding shares in CDSL Demat account shall provide 16 Digit Beneficiary ID
  - Shareholders/ members holding shares in NSDL Demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
  - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.: Enter your mobile number.
- D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting)

Members can log in and join 15 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders’ relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

## INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO SPEAK DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

1. Shareholders who would like to speak during the meeting must register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [investor@krantiindustries.com](mailto:investor@krantiindustries.com) from August 01, 2021 to August 05, 2021.

Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

## INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:** Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting. Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**GUIDELINES TO ATTEND THE AGM THROUGH INSTAMEET:**

For a smooth experience of viewing the AGM proceedings, shareholders/ members who are registered as speakers at the AGM are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application</u> . Click on <u>Run a temporary application</u> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

## STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

### ITEMS NO. 3:

The Board of Directors of the company (“the board”) at its meeting held on November 10<sup>th</sup>, 2020 has appointed Mr. Sachin Subhash Vora (DIN: 02002468) as a Managing Director of the Company, for a period of 5 (five) years, i.e. with effect from November 26, 2020 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board.

It is proposed to seek members’ approval for the re-appointment of and remuneration payable to Mr. Sachin Subhash Vora (DIN: 02002468) as Managing Director of the Company, in terms of the applicable provisions of the Act.

Further, as per the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the minimum Remuneration payable to Mr. Sachin Subhash Vora (DIN: 02002468), in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in be Section II of Part II of Scheduled V to the Companies Act, 2013 or any other applicable limits, as provided by the Central Government in this regard, from time to time.

Pursuant to Sections 196, 197, 198, 203 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) / re-enactment(s) thereof for the time being in force) and other applicable Regulations of SEBI (LODR) Regulations, 2015, the re-appointment of and remuneration payable to Mr. Sachin Subhash Vora(DIN: 02002468) as Chairman and Managing Director is now being placed before the Members for their approval by way of a Special Resolution.

### Terms and Conditions along with brief details of director seeking re-appointment at the 26<sup>th</sup> Annual General Meeting: Disclosure as required under Schedule V of the Companies Act, 2013

#### A. General Information:

- I. Nature of Industry: Company is engaged in the business of precision machining in Auto ancillary and allied sectors.
- II. Date of Commercial Production: The Commercial Production in the month of December, 1995.
- III. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: **Not Applicable.**
- IV. Financial performance based on given indicators:



(Amounts in Lakhs)

Particulars	FY 2020-21	FY 2019-20
Income from Operations	5,450.22	4,754.82
Other Income	40.63	24.41
<b>Total Revenue</b>	<b>5,490.85</b>	<b>4,779.23</b>
Less: Total Expenses (excluding Depreciation & Interest)	5,001.16	4,441.24
<b>Operating Profits (PBDIT)</b>	<b>489.69</b>	<b>337.99</b>
Less: Finance Cost	177.81	154.39
Less: Depreciation	338.73	281.51
<b>Profit Before Tax</b>	<b>(26.85)</b>	<b>(97.91)</b>
Less: Taxes	(8.86)	(27.08)
<b>Net Profit after Tax</b>	<b>(17.99)</b>	<b>(71.58)</b>

V. **Export performance and net foreign exchange:** During the year under review, the company have export sales of Rs 13.14 Lakh and net foreign exchange earnings of Rs 0.05 Lakh.

VI. **Foreign Investment and collaborations, if any:** Not Applicable.

## B. Information about Mr Sachin Subhash Vora, Chairman and Managing Director

I. **Background Details:** Mr. Sachin Subhash Vora, aged 41 years, Promoter of the Company. He has completed his Bachelor of Engineering in Industrial Electronic from Pune University. He is the Promoter and Managing Director of our Company having more than 19+ years of experience in the auto components industry. He has vast experience in the industry particularly in Planning, Finance, Production and Quality. He is involved in identifying, developing and directing the implementation of business strategy. He oversees day to day operations including manufacturing, management and finance of the company.

### II. Past Remuneration:

1. **Gross Salary:** The Managing Director of the company was withdrawing monthly salary of Rs 2,00,000/- in FY 2019-20, after considering the pandemic scenario, he himself voluntarily decided to withdraw the 25% lesser amount of remuneration for the financial year 2020-21.
2. **Perquisites and Allowances.** Mr. Sachin Subhash Vora, will be paid perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V to the Act. The perquisites shall be evaluated etc. as per the Income Tax Act, 1961 wherever applicable and in the absence of any such provision for the same, at actual cost.

### 3. Minimum Remuneration:

In the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, perquisites, benefits, allowances and amenities payable to Mr. Sachin Subhash Vora shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

In the financial year 2020-21, Mr. Sachin Subhash Vora was paid total remuneration of Rs 16,94,852/- (Sixteen Lakh Ninety-Four Thousand Eight Hundred Fifty Two Rupees only) as Chairman and Managing Director of the Company.

### III. Recognition of Award: None

### IV. Job Profile and his suitability:

Considering the size and activity of the Company, the Board thinks that the Chairman and Managing Director should possess the following skills set.

- Experience of 15+ years in Managing position.
- Having sound knowledge of operational, financial and compliance related matters.

The Board, think Mr Sachin Subhash Vora, brings a strong leadership skill and will be instrumental in achieving desired vision and mission of the Company. Thus, Board has considered and placed before the members the re-appointment of Mr Sachin Subhash Vora as Chairman and Managing Director of the Company.

### V. Remuneration Proposed:

1. Gross Salary up to Rs. 24,00,000/- per annum (Rs.2,00,000/- per month) excluding perquisite mentioned hereunder for the existing term;
2. Perquisites and Allowances. Mr. Sachin Subhash Vora will be paid perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V to the Act. The perquisites shall be evaluated etc. as per the Income Tax Act, 1961 wherever applicable and in the absence of any such provision for the same, at actual cost.
3. Remuneration will be reviewed and revised on recommendation and approval of NRC based on business development and growth of Company.

### VI. Comparative remuneration profile with respect to Industry, Size of the company, Profile of the position and person:

Taking into consideration the size of the Company, the profile of Mr. Sachin Subhash Vora, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

## VII. Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel:

Mr. Sachin Subhash Vora has pecuniary relationship to the extent he is Promoter - Shareholders of the Company. Except, Mr. Sachin Subhash Vora himself, Mr. Sumit Subhash Vora, being Executive Director and Mrs. Indubala Subhash Vora, being Non-Executive Director and relatives of Mr. Sachin Subhash Vora to the extent of their shareholding in the Company, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested / concerned, financially or otherwise in the Resolution. The statement of additional information required to be disclosed as per Secretarial Standard II issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

### C. Other Information:

- I. **Reasons for loss or inadequate profit:** The Company has incurred losses in the preceding financial year. Further, due to bad market condition, the market requirement of the product was lower than the previous year which results that the company has suffered net loss.

- II. **Steps taken or proposed to be taken for improvement:**

The Management gave immense focus upon the capacity utilization, predictive maintenance, new part development etc, which resulted into improvement in machine performance. The result of the same are evident in H2 of FY 2020-21, the management is confident that the same momentum shall follow in FY 2021-22.

- III. **Expected increase in productivity and profits in measurable terms:**

The company expects a significant increase in turnover as well as the profitability on accounts of the steps mentioned above.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Sachin Subhash Vora under the Act.

Brief particulars pursuant to Regulation 36(3) of the Listing Regulations and additional information to be given to Members in terms of Secretarial Standards on General Meetings (SS-2), of Mr. Sachin Subhash Vora is given in Annexure to the AGM Notice.

The Board commends the Special Resolution set out at Item No.03 of the Notice for approval by the members.

**ITEMS NO. 4:**

The Board of Directors of the company (“the board”) at its meeting held on November 10<sup>th</sup>, 2020 has appointed Mr. Sumit Subhash Vora (DIN: 02002416) as a Whole Time Director of the Company, for a period of 5 (five) years, i.e. with effect from November 26, 2020, on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board.

It is proposed to seek members’ approval for the re-appointment of and remuneration payable to Mr. Sumit Subhash Vora (DIN: 02002416) as a Whole Time Director, designated as an Executive Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 (“the Act”).

Further, as per the provisions of Section 197 the Companies Act, 2013 as amended from time and time, the minimum Remuneration payable to Mr. Sumit Subhash Vora (DIN: 02002416) as a Whole Time Director, in the event of loss or inadequacy of profit in any Financial Year, shall be as per the limit set out in be Section II of Part II of Scheduled V to the Companies Act, 2013 or any other applicable limits, as provided by the Central Government in this regard, from time to time.

Pursuant to Sections 196, 197, 198, 203 and all other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or amendment(s) / re-enactment(s) thereof for the time being in force) and other applicable Regulations of SEBI (LODR) Regulations, 2015, the re-appointment of and remuneration payable to Mr. Sumit Subhash Vora (DIN: 02002416) as a Whole Time Director is now being placed before the Members for their approval by way of a Special Resolution.

**Terms and Conditions along with brief details of director seeking re-appointment at the 26<sup>th</sup> Annual General Meeting:** Disclosure as required under Schedule V of the Companies Act, 2013

A. **General Information:** There is no change in General Information as mentioned above in Item No 3.

B. **Information about Mr Sumit Subhash Vora,( DIN: 02002416) Whole Time Director**

I. **Background Details:** Mr. Sumit Subhash Vora, aged 37 years, Promoter of the Company. Diploma in Mechanical Engineering from Maharashtra State Board of Technical Education in the year 2002. He is the Promoter and Whole Time Director of our Company having more than 15+ years of experience in the auto components industry. He is responsible for looking after the business administration, Develop and Implement strategic plans to increase efficiency and effectiveness within a business & organization and ensure smooth functioning of business.

II. **Past Remuneration:**

1. The Whole Time Director of the company was withdrawing monthly salary of Rs 2,00,000/- in FY 2019-20, after considering the pandemic scenario, he himself voluntarily decided to withdraw the 25% lesser amount of remuneration for the financial year 2020-21.
2. Perquisites and Allowances: Mr. Sumit Subhash Vora, will be paid perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V to the Act. The perquisites shall be evaluated etc. as per the Income Tax Act, 1961 wherever applicable and in the absence of any such provision for the same, at actual cost.

### III. Minimum Remuneration:

In the event of the Company incurring a loss or having inadequate profits in any financial year, the remuneration, perquisites, benefits, allowances and amenities payable to Mr. Sumit Subhash Vora shall be in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time.

In the financial year 2020-21, Mr. Sumit Subhash Vora was paid total remuneration of Rs 16,97,829/- (Sixteen Lakh Ninety Seven Thousand Eight Hundred Twenty Nine Rupees only) as Whole Time Director of the Company.

### IV. Recognition of Award: None

### V. Job Profile and his suitability:

Considering the size and activity of the Company, the Board thinks that the Whole Time Director should possess the following skills set.

- Experience of 15+ years in Company as an Operation-Director.
- Having sound knowledge of operational, strategic planning, budgets, analysing of overheads, marketing, monitoring inventory, human resources.
- Develop & Execute long-term Business Strategies, Growth Plan, Marketing Strategies, Guide all the Support Functions for other departments such as human resources.

The Board, think Mr. Sumit Subhash Vora, brings a strong operational and marketing skill and will be instrumental in achieving desired goals of the origination Thus, Board has considered and placed before the members the re-appointment of Mr. Sumit Subhash Vora as a Whole Time Director of the Company.

### VI. Remuneration Proposed:

1. Gross Salary up to ` 24,00,000/- per annum (2,00,000 per month) excluding perquisite mentioned hereunder for the existing term;

2. Perquisites and Allowances. Mr. Sumit Subhash Vora will be paid perquisites and allowances like HRA, medical reimbursement, travelling allowances, club fees and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V to the Act. The perquisites shall be evaluated etc. as per the Income Tax Act, 1961 wherever applicable and in the absence of any such provision for the same, at actual cost.
3. Remuneration will be reviewed and revised on recommendation and approval of NRC based on business development and growth of Company.

**VII. Comparative remuneration profile with respect to Industry, Size of the company, Profile of the position and person:**

Taking into consideration the size of the Company, the profile of Mr. Sumit Subhash Vora, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

**VIII. Pecuniary relationship directly or indirectly with the company or relationship with managerial personnel:**

Mr. Sumit Subhash Vora has pecuniary relationship to the extent he is Promoter - Shareholders of the Company. Except, Mr. Sumit Subhash Vora himself, Mr. Sachin Subhash Vora, being Managing Director and Mrs. Indubala Subhash Vora, being Non-Executive Director and relatives of Mr. Sumit Subhash Vora to the extent of their shareholding in the Company, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested / concerned, financially or otherwise in the Resolution. The statement of additional information required to be disclosed as per Secretarial Standard II issued by ICSI is attached at the end of this Explanatory Statement and must be read as the part of this Notice.

- C. **Other Information:** There is no change in Other Information as mentioned above in Item No 3.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Sumit Subhash Vora under the Act.

Brief particulars pursuant to Regulation 36(3) of the Listing Regulations and additional information to be given to Members in terms of Secretarial Standards on General Meetings (SS-2), of Mr. Sumit Subhash Vora is given in Annexure to the AGM Notice.

The Board commends the Special Resolution set out at Item No.04 of the Notice for approval by the members.

**ITEM NO 5:**

Currently, the Equity Shares of the Company are listed and traded on the SME Platform of BSE Limited for more than two years and the Paid-up Share Capital of the Company is more than Rupees Ten Crores. Hence, the Company is eligible to migrate to the Main Board of the Stock Exchanges, as per the procedures laid down under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2018 and the Migration Policy of BSE Limited.

The proposed migration on the Main Board of BSE Limited will enhance the visibility and prestige of the Company and will also encourage the participation of small investors, increase the liquidity of the Equity Shares and expand the retail shareholder base.

Therefore, the approval of the members is sought by way of a Special Resolutions for migration of the Company's present listing of Equity Shares from SME Platform of BSE Limited to the Main Board of BSE Limited.

Pursuant to Regulation 277 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, these Special Resolutions shall be acted upon if and only if the votes cast by the shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by the shareholders other than promoter shareholders against the proposal.

Mr. Sachin Subhash Vora, Mr. Sumit Subhash Vora and Smt Indubala Subhash Vora themselves and their relatives has pecuniary relationship to the extent they are Promoter - Shareholders of the Company.

The Board commends the Special resolution for member's approval. None of the Directors or Key Managerial Personnel or any of their relatives concerned or interested in the said resolution.



**ITEMS NO. 6**

The members of the Company through Extra-Ordinary General Meeting of the Company held on September 10<sup>th</sup>, 2015 approved by way of a Special Resolution under Section 180(1)(c) of the Companies Act, 2013, borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not exceed in the aggregate of Rs.250 Crores (Rupees Two Hundred and Fifty Crores only). The Board of Directors of a Company shall not, except with the consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of the paid-up capital and its free reserves as per the provisions of Section 180(1)(c) of the Companies Act, 2013 ("the Act") and its rules thereunder. The borrowings of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company, in such form, manner and ranking as may be determined by the Board of Directors / any of its authorized Committee of the Company from time to time, in consultation with the lender(s). It is therefore, necessary for the members to pass a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, as set out at Item No. 6 of the Notice, authorized the Board to secure its borrowing by mortgage / charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company, maximum extent of the Financial Indebtedness secured by the assets of the Company as and whenever required.

The Board commends the Special Resolution as per the accompanying Notice, for approval by the Shareholders of the Company.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

By order of the Board of Directors  
**KRANTI INDUSTRIES LIMITED**

Sd/-

**SACHIN SUBHASH VORA**  
**CHAIRMAN & MANAGING DIRECTOR**  
(DIN: 02002468)

**DATE: July 09, 2021**  
**PLACE: PUNE**

**Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by ICSI for Item No. 3 :**

Name	Mr Sachin Subhash Vora
Date of Birth	23 <sup>rd</sup> November, 1980
Qualification	B.E. - Industrial Electronics Engineering
Experience - Expertise in specific functional areas - Job profile and suitability	Finance, Taxation, strategic decision making & compliance of statutory norms, acts & wide management experience.
No. of Shares held as on March 31, 2021	16,26,000
Terms & Conditions	As per the resolution at Item No.03 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Sachin Subhash Vora is proposed to be re-appointed as a Managing Director
Remuneration Last Drawn	Rs 16,94,852/- per annum
Remuneration sought to be paid	As per the resolution at Item No.03 of the Notice convening this Meeting read with explanatory statement thereto.
Number of Board Meetings attended during the FY 2020-21	All
Date of Original Appointment	01-04-2002
Directorships held in other public companies including deemed public companies and excluding our Company, Section 8 Companies, Struck off Companies and LLPs.	Wonder Precision Private Limited KRANTI SFCI Private Limited Lekhapal Fintech Private Limited.
Memberships / Chairmanships of committees of public companies	Chairmanship- NIL Membership- 2 committee Audit Committee Stakeholder Relationship Committee
Inter-se Relationship with other Directors	Son of Smt. Indubala Subhash Vora and Elder Brother of Mr Sumit Subhash Vora

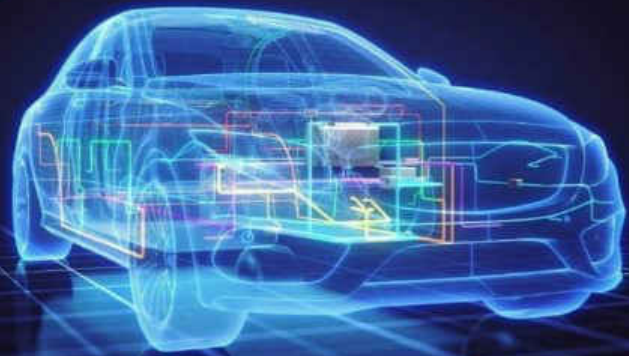
\*Committee includes the Audit Committee and Stakeholders' Grievance Committee

**Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 issued by ICSI for Item No. 4:**

Name	Mr Sumit Subhash Vora
Date of Birth	13 <sup>th</sup> January, 1984
Qualification	Diploma In Mechanical Engineering
Experience - Expertise in specific functional areas - Job profile and suitability	Technology, Sales, Finance, Operations & Consulting, & wide management experience
No. of Shares held as on March 31, 2021	15,45,030
Terms & Conditions	As per the resolution at Item No.04 of the Notice convening this Meeting read with explanatory statement thereto, Mr. Sumit Subhash Vora is proposed to be re-appointed as a Whole Time Director.
Remuneration Last Drawn	Rs 16,97,829/- per annum
Remuneration sought to be paid	As per the resolution at Item No.04 of the Notice convening this Meeting read with explanatory statement thereto.
Number of Board Meetings attended during the FY 2020-21	All
Date of Original Appointment	01-01-2003
Directorships held in other public companies including deemed public companies and excluding our Company, Section 8 Companies, Struck off Companies and LLPs.	Wonder Precision Private Limited KRANTI SFCI Pvt Ltd
Memberships / Chairmanships of committees of public companies	NIL
Inter-se Relationship with other Directors	Son of Smt. Indubala Subhash Vora and younger Brother of Mr Sachin Subhash Vora

\*Committee includes the Audit Committee and Stakeholders' Grievance Committee

# BUILDING TRUST, ESTABLISHING THE LEGACY



For more details, please visit:  
[www.krantiindustries.com](http://www.krantiindustries.com)

### Disclaimer

The Annual Report may contain, without limitation, certain statements that include words such as “believes”, “expects”, “anticipates” and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guaranteeing of future performance and involve risks and uncertainties that may cause actual performance or results to be materially different from those anticipated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or otherwise.