A D V & ASSOCIATES
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

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, 2023, the Statement of Profit and Loss (Including other comprehensive income), Statement of change in equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Indian Accounting Standards prescribed (IND AS) 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, 2023, and its profit and other comprehensive income 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 there under, 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone 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	**Revenue Recognition** (refer Note. 1.10 related to Revenue) 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

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	Standalone 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. **Auditor's Response** To address this risk of material misstatement relating to revenue recognition, our audit procedures included: - Assessing the compliance of company's revenue recognition policies with applicable accounting standards, including those related to discounts and rebates. - Assessing the adequacy of relevant disclosures.

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

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 Annexures 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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:

- 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.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

- 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.

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

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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 are 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 including Other Comprehensive Income, Statement of Changes in Equity 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 Ind AS specified under Section 133of 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

2) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs3 and 4 of the Order.

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

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

Pratik Kabra
Partner
Membership number: 611401
UDIN: 23611401BGUOFJ7192
Mumbai
27th May, 2023

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")

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, include in 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 judgement, 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

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

We have audited the internal financial controls with reference to standalone financial statements of Kranti Industries Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company as at and for the year ended on that date. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to standalone financial statements 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**

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Pratik Kabra
Partner
Membership number: 611401
UDIN: 23611401BGUOFJ7192
Mumbai
27th May, 2023

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)

i) In respect of the Company's Property, Plant and Equipment's and Intangible Assets:

(a) 1. 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;

2. The Company has maintained proper records showing full particulars of intangible 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 book's 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.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

ii)

a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Variances between the quarterly returns or statements filed by the Company with such banks are in agreement are as follows;

Quarters ending on	June 22	September 22	December 22	March 23
Current Assets submitted to Banks	1800.19	2120.78	1491.09	1736.93
Current Assets as per books	1800.47	2166.87	1526.42	1760.99
Difference	-0.02%	-2.13%	-2.31%	-1.37%

iii) According the information and explanations given to us, During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

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(a) During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity

To Whom	The Aggregate Amount During the Year (In Lakhs)	Balance Outstanding at the Balance Sheet Date (In Lakhs)
parties other than subsidiaries, joint ventures and associates	60.00	60.00
subsidiaries, joint ventures and associates	20.00	20.00
Total	80.00	80.00

(b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

(c) schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular;

(d) According to the information and explanation given to us, no amount is overdue in these respect;

(e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;

(f) The company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, required details in respect thereof are as below:

The Aggregate Amount	Percentage thereof to the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the CompaniesAct,2013
80.00	100%	20.00

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi) . The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

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

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, 2023 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.

viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions.
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi) (a) 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

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employees has been noticed or reported during the year.

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

(c) The company has not received any whistle blower complaints during the year (and upto the date of this report).

xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii) 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 Financial Statements as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi)(a)In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi) (c) of the Order is not applicable to the Company.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

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

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

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

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all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) The provision of sub-section (5) of Section 135 of the Companies Act, 2013 not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Pratik Kabra
Partner
Membership number: 611401
UDIN: 23611401BGUOFJ7192
Mumbai
27th May, 2023

KRANTI INDUSTRIES LIMITED

Balance Sheet as on 31 March 2023

(All amounts are in Rupees Lakhs, unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	3,968.16	3,095.84
(b) Right-of-use asset	3	475.60	501.96
(c) Capital work-in-progress	4	276.76	429.13
(d) Intangible assets	5	21.29	18.92
(e) Goodwill			
(f) Financial assets			
(i) Investment	6	335.44	335.51
(ii) Others	7	53.20	28.15
(iii) Other financial assets (NC)	8		
(g) Income tax assets (net)	33	15.31	25.95
(h)Deferred tax assets (net)	33		
(i) Other non-current assets	8	-	-
Total non-current assets		**5,145.78**	**4,435.46**
Current assets			
(a) Inventories	9	924.22	824.53
(b) Financial assets			
(i) Trade receivables	10	836.77	608.81
(ii) Cash and cash equivalents	11	0.71	0.45
(iii) Other financial assets	12	0.82	2.36
(c) Current tax assets (net)	33	-	-
(d) Other current assets	13	126.95	42.45
Total current assets		**1,889.47**	**1,478.60**
TOTAL ASSETS		**7,035.25**	**5,914.06**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,056.24	1,056.24
(b) Other equity	15	1,374.93	1,166.08
Total equity		**2,431.17**	**2,222.32**
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings (Non Current)	16	1,646.85	959.21
(ii) Lease liabilities (Non Current)	17	200.19	270.38
(iii) Other financial liabilities	18	-	-
(a) Provisions	16	-	-
(b) Other non-current liabilities	18	0.75	2.10
(c) Deferred tax liabilities (Net)	33	159.20	114.54
Total non-current liabilities		**2,007.00**	**1,346.24**
Liabilities			
Current liabilities			
(a) Financial liabilities			
(i) Borrowings (Current)	19	1,326.77	1,169.94
(ii) Lease liabilities (Current)	20	70.20	77.79
(iii) Trade payables	21		
a) total outstanding dues of micro enterprises and small enterprises		267.82	271.77
b) total outstanding dues of creditors other than micro enterprises and small enterprises		735.68	567.80
(iv) Other financial liabilities	22	153.88	167.85
(b) Other current liabilities	23	21.32	70.57
(c) Provisions	24	19.64	18.58
(d) Income tax liabilities (net)	33	1.78	1.20
Total current liabilities		**2,597.07**	**2,345.51**
Total liabilities		**4,604.07**	**3,691.74**
TOTAL EQUITY AND LIABILITIES		**7,035.25**	**5,914.06**
Notes to the financial statements	1-49		

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

As per our report of even date attached

For and on behalf of A D V Associates

Chartered Accountants

Firm Registration No - 128045W

Pratik Kabra

Partner

Membership no - 611401

UDIN:23611401BGUOEJ7192

Place : Mumbai

Date : May 27, 2023

For and on behalf of the board of directors of Kranti Industries Limited

Sachin Vora

Managing Director

DIN-02002468

Sumit Vora

Director

DIN-02002416

Sheela Dhawale

Chief Financial Officer

Place : Pune

Date : May 27, 2023

Bhavesh Selarka

Company Secretary

Place : Pune

Date : May 27, 2023

A D V & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN :128045W

KRANTI INDUSTRIES LTD. * PIRANGUT *

KRANTI INDUSTRIES LIMITED

Statement of Profit and Loss For Year Ended 31 March 2023

(All amounts are in Rupees Lakhs, unless otherwise stated)

	Note	For Year ended 31 March 2023	For Year ended 31 March 2022
Revenue from operations	25	9,139.73	9,183.28
Other income (net)	26	12.79	17.44
Total revenue		**9,152.51**	**9,200.72**
Expenses			
Cost of material, operation and incidental cost	27	6,130.23	6,072.45
Purchase of Stock-in- Trade	28		
Changes in inventories of finished goods and work-in-progress	29	(32.33)	23.68
Employee benefits expenses	29	991.34	991.65
Finance costs	30	225.95	199.48
Depreciation and amortisation expenses	31	392.47	389.97
Other expenses	32	1,137.69	1,253.97
Total expenses		**8,845.34**	**8,931.19**
Profit/(loss) before Exceptional Items, and Tax		307.17	269.53
Exceptional items		-	-
Profit before tax		**307.17**	**269.53**
Tax expense:	33		
Current tax		56.41	49.53
Deferred tax		30.99	59.17
MAT Credit Entitlement/Utilisation		13.39	(49.53)
Profit for the year		**206.38**	**210.36**
Other comprehensive income/(loss) for the year			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability / (asset)		3.43	4.05
Income tax on remeasurements of defined benefit liability / (asset)		(0.95)	(1.05)
		2.48	**3.00**
Other comprehensive income (net of tax)		**2.48**	**3.00**
Total comprehensive income for the year		**208.85**	**213.35**
Earnings per equity share (face value of Rs. 10 each)			
Basic earnings per share	34	1.95	1.99
Diluted earnings per share		1.95	1.99

Significant accounting policies 1

Notes to the financial statements 1-49

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

As per our report of even date attached

For and on behalf of A D V Associates
Chartered Accountants
Firm Registration No - 128045W

Pratik Kabra
Partner
Membership no - 611401
UDIN:23611401BGUOEJ7192
Place : Mumbai
Date : May 27, 2023

ADV & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN :128045W

For and on behalf of the board of directors of
Kranti Industries Limited

Sachin Vora
Managing Director
DIN-02002468
Place : Pune
Date : May 27, 2023

Sumit Vora
Director
DIN-02002416
Place : Pune
Date : May 27, 2023

Sheela Dhawale
Chief Financial Officer
Place : Pune
Date : May 27, 2023

Bhavesh Selarka
Company Secretary
Place : Pune
Date : May 27, 2023

KRANTI INDUSTRIES LIMITED

Statement of Cash flows for the year ended 31 March 2023

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	For the period ended 31 March 2023		For the year ended 31 March 2022	
A. Cash flow from operating activities				
Net Profit before extraordinary items and tax		307.17		269.53
Adjustments for:				
Interest received	(2.31)		-15.40	
Dividend received	(0.33)		0.00	
Profit on sale of Assets	(8.59)		0.00	
Interest paid	225.95		193.26	
Depreciation and amortisation	392.47		389.97	
Commision income on corporate guarantee	(1.55)		-0.92	
Fair valuation gain/loss on instruments measured at fair value through			-1.11	
		605.63		565.79
Operating profit before working capital changes		**912.81**		**835.32**
Changes in working capital:				
(Increase) in other non-current liabilities	0.21		0.52	
(Increase) / Decrease in other non-current financial assets	(25.05)		0.00	
Decrease in other non-current assets	-		-61.62	
Decrease / (Increase) in inventories	(99.69)		-43.92	
(Increase) in trade receivables	(227.96)		246.80	
Decrease / (Increase) in other current financial assets	1.54		0.01	
Decrease in other current assets	(84.50)		24.10	
Increase / (Decrease) in trade payables	163.93		-201.93	
Increase in other current financial liabilities	(13.97)		66.04	
(Decrease) /Increase in other current liabilities	(49.25)		-15.50	
Increase in current provisions	3.53		12.87	
		-331.22		27.37
Cash generated from operations		581.59		862.69
Net income tax (paid)		-44.92		-43.12
Net cash flow generated from operating activities		**536.67**		**819.57**
B. Cash flow from investing activities				
Purchase of property, plant and equipment, intangible assets and capital work-in-progress	(1,158.85)		-648.35	
Sale proceeds of property, plant and equipment	79.00		99.49	
Purchase/Sale of non-current investments	0.06		-20.13	
Dividend received	0.33		0.00	
Interest received	2.31		15.40	
Net cash flow (used in) investing activities		**-1077.14**		**-553.59**
C. Cash flow from financing activities				
Long-term borrowings (repaid) during the year	687.64		-682.64	
(Repayment) / Proceeds of short-term borrowings (net)	156.83		521.12	
Interest paid	(191.30)		-171.97	
Leases				
Principal	(77.79)		-61.64	
Interest	(34.65)		-21.28	
Transaction costs on issue of shares			-7.65	
Tax on dividend paid during the year			0.00	
Net cash flow (used in) financing activities		**540.74**		**-424.05**
Net (decrease) in Cash and cash equivalents (A+B+C)		**0.27**		**-158.07**
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents				**0.00**
Cash and cash equivalents at the beginning of the year		**0.45**		**158.52**
Cash and cash equivalents at the end of the year		**0.72**		**0.45**

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

Statement of Cash flows for the year ended 31 March 2023

(All amounts are in Rupees Lakhs, unless otherwise stated)

Notes to cash flow statement

(i) The above Cash Flow Statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7 on Statement of (

(ii) Prior year comparatives have been reclassified to conform with current year's presentation, where applicable.

(iii) For the purpose of cash flow, Cash and cash equivalents comprise :

Cash on hand	0.46		0.35
Balances with bank	-		-
- Current accounts	0.25		0.10
	0.71		0.45
	0.01		(0.00)

See accompanying notes forming integral part of these standalone financial statements 1-45

As per our report attached of even date

For and on behalf of A D V Associates
Chartered Accountants
Firm Registration No - 128045W

Pratik Kabra
Partner
Membership no - 611401

Place : Mumbai
Date : May 27, 2023

For and on behalf of the board of directors of
Kranti Industries Limited

Sachin Vora
Managing Director
DIN-02002468

Place : Pune
Date : May 27, 2023

Sumit Vora
Director
DIN-02002416

Place : Pune
Date : May 27, 2023

Sheela Dhawale
Chief Financial Officer
Place : Pune
Date : May 27, 2023

Bhavesh Selarka
Company Secretary
Place : Pune
Date : May 27, 2023

Kranti Industries Limited
Notes to the financial statements for the year ended 31 March 2023.

Summary of significant accounting policies and notes forming part of the financial statements.

Corporate overview

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) Private Limited, Graziano Transmission India Private Limited, Escorts Limited, Neosym Industry Limited, Etc.

1. Significant accounting policies

1.1. Basis of preparation of financial statements:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, (the 'Act') read with rule 3 of the Companies (Indian Accounting Standards), Rules, 2015 and relevant amendment rules issued thereafter.

The Company's financial statements up to and for the year ended 31 March 2021were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under the section 133 of the Act and other relevant provisions of the Act.

The financial statements were authorised for issue by the Board of Directors on May 27, 2023.

- **Functional and presentation currency**

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, as per the requirements of Schedule III of the Act, unless otherwise stated.

1.2. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

• certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and

• net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of defined benefit obligations.

1.3. Use of judgements estimates and assumptions.

The preparation of the financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, and disclosure of the contingent liabilities at the end of each reporting period. Such estimates are on a reasonable and prudent basis considering all available information, however, due to uncertainties about these judgments, estimates and assumptions, actual results could differ from estimates. Information about each of these estimates and judgements is included in relevant notes.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

ADV & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN :128045W

- Note 41 – classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 2 , 3 – Useful life of depreciable assets – Property, Plant and Equipment.
- Note 35 – Recognition of contingencies, key assumptions about the likelihood and magnitude of outflow of resources.
- Note 33 – Recognition of tax expense including deferred tax.

1.4. Current and non-current classification of assets and liabilities

The company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when it is:

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

The company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of products/services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has identified twelve months as its operating cycle for the purpose of current / non - current classification of assets and liability.

1.5. Property, plant and equipment:

• Recognition and measurement

Property, plant and equipment are carried at cost less accumulated depreciation and impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset

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to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost. The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

- **Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Disposal**

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the statement of profit and loss.

- **Depreciation**

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

1.6. Intangible assets:

- **Recognition and measurement**

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Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to complete development and to use or sell the asset.

- **Subsequent measurement**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use.

- **Disposal**

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

1.7. Borrowing costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

1.8. Impairments of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN:128045W

specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in the statement of profit and loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.9. 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.

1.10. Revenue recognition:

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.

Recognition of dividend income, interest income:

Interest income or expense is recognised using the effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to:

ADV & ASSOCIATES
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CHARTERED ACCOUNTANTS

- the gross carrying amount of the financial asset; or

- the amortised cost of the financial liability.

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

1.11. Foreign currency transactions:

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

1.12. Employee benefits:

• Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the year.

• Post-employment benefits

Defined contribution plans

Contributions to the provident fund which is defined contribution scheme, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due. Contributions are made in accordance with the rules of the statute and are recognised as expenses when employees render service entitling them to the contributions.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised ,immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the planned assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

- **Other long-term employee benefits**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1.13. Income taxes:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income (OCI).

- **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

• Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- Taxable temporary differences arising on the initial recognition of goodwill.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

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

1.14. Earnings per share (EPS):

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

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.15. Provision and contingent liabilities / assets:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Contingent liability is disclosed in case of:

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

Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

1.16. Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

1.17. Cash flow statement:

Cash Flows are reported using the indirect method, whereby net Profit before tax is adjusted for the effects of transactions of a non-cash nature, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. For the purpose of presentation in the statement of cash flows, bank overdrafts are considered to be part of cash and cash equivalents.

1.18. Leases

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

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is

used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Company as a lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.19. Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.

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

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.20. Financial instruments

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1.20.1. Financial assets

Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in one of the three categories:
a) At amortised cost
b) At fair value through Other Comprehensive Income ('FVTOCI')
c) At fair value through profit or loss ('FVTPL')

(a) Financial assets classified as measured at amortised cost

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

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ('EIR') method, less impairment charge. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance expense/ (income) in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade receivables, security and other deposits receivable by the Company.

(b) Financial assets classified as measured at FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to retained earnings. Interest income from these financial assets is included in other income using the effective interest rate method.

(c) Financial assets classified as measured at FVTPL

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

De-recognition of financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Impairment of financial assets

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances.

- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

1.20.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated as such upon initial recognition at the initial date of recognition if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses

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attributable to changes in own credit risks are recognised in OCI. These gains/ losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

(a) Financial liabilities at amortised cost

This is the most relevant category to the Company. The Company generally classifies interest bearing borrowings as financial liabilities carried at amortised cost. After initial recognition, these instruments are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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

Offsetting of financial instruments

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

Derivative financial instruments

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the statement of profit and loss.

1.21. Operating Segment

Identification of segments

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker.

Inter-segment transfers

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

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(All amounts are in Rupees Lakhs, unless otherwise stated)

2 Property, plant and equipment

Description	Freehold land	Buildings	Plant and equipment	Furniture and Fittings	Vehicles - Others	Office Equipments	Computers	Tools and Fixtures	Total Owned assets	Right-of-use assets	Total Owned + Right-of-use assets
										Plant and equipment	
Gross block											
Balance as at 01 April 2022	638.03	663.77	5,957.00	72.11	45.85	18.62	11.20	131.08	7,537.66	520.28	8,057.94
Additions	-	810.79	387.39	-	20.26	20.27	0.84	64.31	1,303.86		1,303.86
Disposals	-	-	(307.63)	-	-	-	-	-	(307.63)		(307.63)
Balance as at 31 March 2023	638.03	1,474.56	6,036.76	72.11	66.11	38.89	12.04	195.39	8,533.89	520.28	9,054.17
Accumulated depreciation											
Balance as at 01 April 2022	-	390.46	3,892.04	60.86	18.32	13.42	6.69	60.03	4,441.82	18.31	4,460.13
Depreciation for the year		24.21	295.66	2.87	9.26	4.33	3.11	21.69	361.13	26.36	387.49
Depreciation on disposals	-	-	(237.22)	-	-	-	-	-	(237.22)		(237.22)
Balance as at 31 March 2023	-	414.68	3,950.48	63.73	27.57	17.75	9.79	81.73	4,565.73	44.68	4,610.41
Net block											
As At March 2023	638.03	1,059.88	2,086.29	8.38	38.54	21.14	2.25	113.66	3,968.16	475.60	4,443.76
As At March 2022	638.03	273.31	2,064.97	11.25	27.53	5.20	4.52	71.04	3,095.84	501.96	3,597.81

There are no immovable properties the title deeds of which are not held in the name of the company.

4 Capital work-in-progress

Description	Factory Building	Capital Work in progress	Total
Balance as at 01 April 2022	429.13	-	429.13
Additions	-	276.76	276.76
Capitalised during the year	(429.13)	-	(429.13)
	-	276.76	276.76
Balance as at 31 March 2023	-	276.76	276.76

Capital work-in-progress aging schedule

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Balance as at 31 March 2023	276.76	-	-	-	276.76
		-	-	-	-
Balance as at 01 April 2022	-	429.13	-	-	429.13

There are no projects which are suspended or whose completion is overdue or has exceeded its cost compared to its original plan.

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5 Other Intangible assets

F.Y 21-22

Description	Trade Mark	Softwares	Total Owned assets
Gross block			
Balance as at 01 April 2021	0.30	17.09	17.39
Additions	-	13.42	13.42
Disposals	-	-	-
Balance as at 31 March 2022	**0.30**	**30.51**	**30.80**
Amortisation			
Balance as at 01 April 2021	0.25	6.56	6.81
Depreciation for the year	0.01	5.06	5.07
Depreciation on disposals	-	-	-
Balance as at 31 March 2022	**0.26**	**11.62**	**11.88**
Net Block as at 31 March 2022	**0.03**	**18.88**	**18.92**

F.Y 22-23

Description	Trade Mark	Softwares	Total Owned assets
Gross block			
Balance as at 01 April 2022	0.30	30.51	30.80
Additions	-	7.35	7.35
Disposals	-	-	-
Balance as at 31 March 2023	**0.30**	**37.86**	**38.15**
Amortisation			
Balance as at 01 April 2022	0.26	11.62	11.88
Depreciation for the year	0.01	4.97	4.97
Depreciation on disposals	-	-	-
Balance as at 31 March 2023	**0.27**	**16.59**	**16.86**
Net Block as at 31 March 2023	**0.03**	**21.27**	**21.29**

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Notes to the financial statements (continued)

(All amounts are in Rupees Lakhs, unless otherwise stated)

			31 March 2023	31 March 2022
6	**Non-current investments**			
	Investments in subsidiaries at cost			
	1000 (31 March 2022 : 970) Investment in equity shares of Wonder Precision Private Limited of Rs. 100/- each		277.92	277.14
	Investments in associates at cost			
	1,50,000 (31 March 2022 : 1,50,000) Investment in equity shares of Kranti SFCI Private Limited of Rs. 10/- each		15.00	15.00
	Investment in equity shares - Unquoted			
	11,00,000 (31 March 2022 : 0.00) Investment in equity shares of Investments -Shares Preciso Metall Pvt Ltd at Rs. 3.12/- each (Face value Rs 10 per share)		34.32	-
			327.24	**292.14**
	Investments carried at fair value through other comprehensive income (FVTOCI)			
	Investment in equity shares - Unquoted			
	8,200 (31 March 2022 : 8,200) Investment in equity shares of Cosmos Co-operative Bank Limited of Rs. 100/- each		8.20	8.20
			8.20	**8.20**
	Investments carried at fair value through profit and loss (FVTPL)			
	Investment in Mutual funds - Quoted			
	Nil (31 March 2022 : 31,968) units of Aditya Birla Short Term Opportunities Fund		-	12.24
	Nil (31 March 2022 : Nil) units of Aditya Birla Banking and		-	20.61
	Nil (31 March 2022 : 681) units of Aditya Birla Sun Life		-	2.32
			-	35.17
			335.44	**335.51**
	(a) Aggregate amount of quoted investments		-	35.17
	(b) Aggregate market value of quoted investments		-	35.17
	(a) Aggregate amount of unquoted investments		335.44	300.34
	(b) Aggregate amount of impairment in value of investments		-	-
7	**Non - current financial assets - Others**		**31 March 2023**	**31 March 2022**
	(Unsecured, considered good)			
	Security deposits		34.82	28.15
	Fixed Deposit In - Bank		18.38	
			53.20	**28.15**
	Refer Note 38 for Related Party Disclosures			
8	**Other non-current assets**		**31 March 2023**	**31 March 2022**
	(Unsecured, considered good)			
	Capital advance		-	-
	Balance with government authorities		-	-
	Loans and Advances		-	
			-	-
9	**Inventories**		**31 March 2023**	**31 March 2022**
	Raw Materials, Components, Consumables		722.51	655.16
	Work-in-progress, Stores and Spares		201.70	169.37
			924.22	**824.53**
10	**Trade receivables**		**31 March 2023**	**31 March 2022**
	(Unsecured, considered good)			
	Trade receivables		836.77	608.81
			836.77	**608.81**

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KRANTI INDUSTRIES LTD. PIRANGUT

Notes to the financial statements (continued)

(All amounts are in Rupees Lakhs, unless otherwise stated)

	31 March 2023	31 March 2022
(Outstanding from due date of payment / from date of transaction)		
(i) Undisputed Trade Receivables – considered good		
Less than 6 months	836.77	608.81
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	836.77	608.81
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		
Less than 6 months		
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
	-	-
	-	-
(iii) Undisputed Trade Receivables - credit impaired		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
	-	-
	-	-
(iv) Disputed Trade Receivables – considered good		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
increase in credit risk		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
(vi) Disputed Trade Receivables – credit impaired		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
(vii) Unbilled dues		
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	-
Less: Provision for doubtful receivables	-	-
	836.77	**608.81**

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Notes to the financial statements (continued)

(All amounts are in Rupees Lakhs, unless otherwise stated)

			31 March 2023	31 March 2022
11	**Cash and cash equivalents**		**31 March 2023**	**31 March 2022**
	Cash-in-hand		0.46	0.35
	Current accounts		0.25	0.10
	Bank deposits with maturity less than 3 Months		-	-
			0.71	**0.45**
12	**Other current financial assets**		31 March 2023	31 March 2022
	Interest receivable		0.82	0.71
	Security deposits			1.65
			0.82	**2.36**
13	**Other current assets**		**31 March 2023**	**31 March 2022**
	Advance to creditors		41.13	34.61
	Advance to employees		0.69	0.66
	Prepaid expenses		5.13	7.18
	Loans and Advances Repayable on Demand		80.00	-
			126.95	**42.45**
16	**Non-current financial liabilities - borrowings**		**31 March 2023**	**31 March 2022**
	Term loans from banks and financials institutions		1,179.85	959.21
	Loans from related parties		467.00	-
			1,646.85	**959.21**

a. Term Loan 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.

b. Term Loan 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.

c. Term loan availed from TATA Capital for Machinery. This loan is secured by way of first mortgage /charge on the
d. TATA CAPITAL is a supplier Credit availed 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.

e. ABFL : These loans are availed under Guaranteed Emergency Credit Line (GECL) as made available during COVID-19 crisis to augment their net-working capital.

f. Aditya Birla: 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.

g. EFL This Credit is availed from Electronica Finance Limited for purchase of Machinery The Loan is secured by Mortgage of Machinery.

17	**Lease liabilities - Non-current**		**31 March 2023**	**31 March 2022**
	Lease liabilities		200.19	270.38
			200.19	**270.38**
18	**Other non current liabilities**		**31 March 2023**	**31 March 2022**
	Deferred income on corporate guarantee		-	1.41
	Provision for Gratuity Non Current		0.75	0.69
			0.75	**2.10**

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Notes to the financial statements (continued)

(All amounts are in Rupees Lakhs, unless otherwise stated)

			31 March 2023	31 March 2022
19	**Borrowings - Current**		**31 March 2023**	**31 March 2022**
	Secured			
	Cash-credit from bank*		897.34	478.93
	Bill discounting from banks			-
	Current maturities of long-term debts		429.43	392.50
	Loans from related parties			298.52
			1,326.77	**1,169.94**

*Secured against hypothecation of finished goods, raw material, packing material, work-in-progress, book debts and collaterally secured by equitable mortgage of property, plant and equipment.

Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:-

(a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts;
(b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed.

Quarter	Current Assets - Submitted to Banks	Current Assets As per Books	Change
Jun-22	1,800.19	1,800.47	-0.02%
Sep-22	2,120.78	2,166.87	-2.13%
Dec-22	1,491.09	1,526.42	-2.31%
Mar-23	1,736.93	1,760.99	-1.37%

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		31 March 2023	31 March 2022
20	**Lease liabilities - Current**	**31 March 2023**	**31 March 2022**
	Lease liabilities	70.20	77.79
		70.20	**77.79**
21	**Trade payables**	**31 March 2023**	**31 March 2022**
	Total outstanding dues to micro enterprises and small enterprises	267.82	271.77
	Total outstanding dues to creditors other than micro enterprises and small enterprises	735.68	567.80
		1,003.50	**839.57**
	Particulars (Outstanding from due date of payment / from date of	**31 March 2023**	**31 March 2022**
	(i) MSME		
	Less than 1 year	267.82	271.77
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
		267.82	**271.77**
	(ii) Others		
	Less than 1 year	735.68	567.80
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
		735.68	**567.80**
	(iii) Disputed dues - MSME		
	Less than 1 year	-	-
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
		-	-
	(iv) Disputed dues - Others		
	Less than 1 year	-	-
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
		-	-
	(v) Accruals		
	Less than 1 year	-	-
	1-2 years	-	-
	2-3 years	-	-
	More than 3 years	-	-
		-	-
		1,003.50	**839.57**

ADV & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN :128045W

KRANTI INDUSTRIES LTD. * PIRANGUT *

(All amounts are in Rupees Lakhs, unless otherwise stated)

			31 March 2023	31 March 2022
22	**Other current financial liabilities**		31 March 2023	31 March 2022
	Employee benefits payable		67.68	54.19
	Audit fees payable		0.90	1.48
	Legal fees payable		2.17	0.41
	Electricity expenses payable		28.24	15.22
	Expenses payable		46.56	92.08
	Interest payable		8.33	4.47
			153.88	**167.85**
23	**Other current liabilities**		31 March 2023	31 March 2022
	Statutory dues payable		21.32	59.44
	Advance received from customers		-	11.13
			21.32	**70.57**
24	**Provisions - Current**		31 March 2023	31 March 2022
	Provision for gratuity		9.67	9.03
	Provision for leave encashment		9.97	9.55
	Provision for Income Tax		1.78	1.20
			21.41	**19.78**

ADV & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN :128045W

KRANTI INDUSTRIES LTD. * PIRANGUT *

(All amounts are in Rupees Lakhs, unless otherwise stated)

		For Year ended 31 March 2023	For Year ended 31 March 2022
25	**Revenue from operations**		
	Sales of goods	8,171.18	8,132.85
	Sale of services (Labour charges)	564.17	606.26
	Other non operating income		
	Sale of Scrap	366.64	396.52
	Cash discount received	37.75	47.65
		9,139.73	**9,183.28**
26	**Other income**	**For Year ended 31 March 2023**	**For Year ended 31 March 2022**
	Interest		
	Interest on Deposits	2.31	15.40
	Profit on Sale of Assets	8.59	-
	Amortisation of deferred income	-	-
	Commision income on corporate guarantee	1.55	0.92
	Fair valuation gain/loss on instruments measured at fair value through profit and loss	-	1.11
	Dividend on shares	0.33	-
		12.79	**17.44**
27	Cost of materials consumed	For Year ended 31 March 2023	For Year ended 31 March 2022
	Opening inventory	655.16	587.56
	Add:		
	Purchases during the year	6,162.91	6,104.92
	Freight & Octroi	34.67	35.12
	Closing inventory	(722.51)	(655.16)
		6,130.23	**6,072.45**
28	**Changes in inventories of finished goods and work-in-progress**	**For Year ended 31 March 2023**	**For Year ended 31 March 2022**
	Opening Work-in-Progress	169.37	193.05
	Closing Work-in-Progress	(201.70)	(169.37)
		(32.33)	**23.68**

ADV & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN :128045W

KRANTI INDUSTRIES LTD. * PIRANGUT *

(All amounts are in Rupees Lakhs, unless otherwise stated)

		For Year ended 31 March 2023	For Year ended 31 March 2022
29	**Employee benefits expense**	**For Year ended 31 March 2023**	**For Year ended 31 March 2022**
	Salaries and Wages	860.63	856.89
	Bonus and Incentives	39.68	39.16
	Gratuity paid	5.98	10.92
	P.F. Contribution	31.50	29.92
	Esic : Employer's Contribution	3.80	3.82
	Welfare Fund Deducted	0.08	0.08
	Staff Welfare	8.94	7.17
	Leave Encashment provision	3.25	9.55
	Directors Remuneration	34.05	34.15
		987.91	**991.65**
30	**Finance costs**	**For Year ended 31 March 2023**	**For Year ended 31 March 2022**
	Interest on Secured Loans	-	-
	Interest on Term Loan	63.37	80.87
	Interest on Cash Credit, Bill Discounting	84.68	63.37
	Interest on Unsecured Loans and Deposits	26.48	27.53
	Interest on corporate guarantee	0.11	0.52
	Interest on unwinding lease liabilities	34.65	21.28
	Bank Charges	15.90	5.91
	Interest on Income Tax	0.76	-
		225.95	**199.48**
31	**Depreciation and amortisation**	**For Year ended 31 March 2023**	**For Year ended 31 March 2022**
	Depreciation of property, plant and equipment (refer note 2)	361.13	367.99
	Depreciation of intangible assets (refer note 5)	4.97	5.07
	Depreciation of right-of-use asset (refer note 2)	26.36	16.90
		392.47	**389.97**

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

KRANTI INDUSTRIES LTD. PIRANGUT

(All amounts are in Rupees Lakhs, unless otherwise stated)

		For Year ended 31 March 2023	For Year ended 31 March 2022
32	**Other expenses**	**For Year ended 31 March 2023**	**For Year ended 31 March 2022**
	Manufacturing Expenses		
	Power and Fuel	315.33	291.38
	Repairs to Machinery	191.69	221.96
	Job work and labour charges	276.06	298.49
	Lease Rental	4.95	6.60
	Packing Material	144.66	176.78
	Sales, administration and other expenses		
	Advertisement	1.57	0.93
	Audit Fees	1.00	1.00
	Conveyance and Travelling	11.24	9.42
	Insurance	13.52	8.75
	Interest paid on Govt. Dues	-	0.14
	Legal and Professional Fees	27.18	26.80
	Legal Expenses	10.83	6.09
	Office Expenses	31.17	32.10
	Postage and Courier	0.08	0.15
	Printing and Stationary	7.17	5.71
	Profession Tax	0.03	0.03
	Rates and Taxes	3.92	3.27
	Repairs and Maintenance	10.20	9.70
	Sales Promotion, entertainment and Ceremony expenditure	0.44	20.87
	Security Charges	20.61	15.62
	Housekeeping Expenses	21.72	18.21
	Subscription and contribution	4.92	3.36
	Transport Charges	28.54	78.68
	Round Off	0.00	0.01
	Telephone Expenses	1.61	1.76
	Water Charges	8.42	8.62
	Foreign Currency Gain/Loss	(0.76)	0.13
	Accounts / Liability Written Back	(0.03)	0.64
	MVAT Paid	-	5.76
	Director Sitting Fees	1.60	1.00
		1,137.69	**1,253.97**
	Payment to auditor (excluding goods and service tax)		
	As auditor		
	Statutory audit fees	1.00	1.00
	Tax audit fees	-	-
	GST audit fees	-	-
		1.00	1.00

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

KRANTI INDUSTRIES LTD. PIRANGUT

KRANTI INDUSTRIES LIMITED

Statement of changes in equity for the Year 31 March 2023

(All amounts are in Rupees Lakhs, unless otherwise stated)

(a) Equity share capital

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the reporting year	1,05,62,400	1,056.24	88,02,000	880.20
Changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting year	1,05,62,400	1,056.24	88,02,000	880.20
Changes in equity share capital during the year	-	-	17,60,400	176.04
Balance at the end of the reporting year	**1,05,62,400**	**1,056.24**	**1,05,62,400**	**1,056.24**

(b) Other equity

Particulars	Reserves and Surplus			Other equity	Total other equity
	Retained Earnings	Securities Premium	General reserve	Equity contribution from shareholders	
Balance at 01 April 2021	690.89	337.86	30.00	77.67	1,136.42
Total comprehensive income for the Year ended 31 March 2022					-
Add/(Less):					-
Profit for the year	210.36	-	-	-	210.36
Other comprehensive income (net of tax)					-
- Remeasurements of post employment benefit obligations	3.00		-	-	3.00
Issue of bonus shares		-176.04			-176.04
Transaction costs on issue of shares	-	-7.65	-	-	-7.65
Transfer from / (to) other reserves	8.36	-	-	-8.36	0.00
Total comprehensive income	221.72	-183.69	-	-8.36	29.66
Balance at 31 March 2022	912.61	154.17	30.00	69.31	1,166.08
Appropriations					-
Total comprehensive income for the Year ended 31 March 2023					-
Add/(Less):					-
Profit for the year	206.38	-	-		206.38
Other comprehensive income (net of tax)	-	-			-
- Remeasurements of post employment benefit obligations	2.48	-			2.48
Issue of bonus shares	-	-	-		-
Transaction costs on issue of shares		-			-
Transfer from / (to) other reserves	-	-		-	-
Total comprehensive income	208.85	-	-	-	208.85
Balance at 31 March 2023	1,121.46	154.17	30.00	69.31	1,374.94

Nature and purpose of reserves

i) Securities premium

Securities premium account is used to record the premium on issue of shares.

ii) Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

iii) General reserve

It is created by setting aside amount from the retained earnings of the company for general purposes which is freely available for distribution.

iv) Equity contribution from shareholders

Equity contribution from shareholders represents deemed equity with respect to interest free unsecured loans given by the shareholders.

For and on behalf of A D V Associates
Chartered Accountants
Firm Registration No - 128045W

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

Pratik Kabra
Partner
Membership no - 611401
UDIN:23611401BGUOEJ7192
Place : Mumbai
Date : May 27, 2023

For and on behalf of the board of directors of Kranti Industries Limited

Sachin Vora
Managing Director
DIN-02002468

Sumit Vora
Director
DIN-02002416

Sheela Dhawale
Chief Financial Officer
Place : Pune
Date : May 27, 2023

Bhavesh Selarka
Company Secretary
Place : Pune
Date : May 27, 2023

KRANTI INDUSTRIES LTD. PIRANGUT

(All amounts are in Rupees Lakhs, unless otherwise stated)

14 Share capital

Particulars	31 March 2023	31 March 2022
Authorised :		
1,50,00,000 (31 March 2022 : 1,50,00,000) equity shares of Rs.10 each.	1,500	1,500
TOTAL	1,500	1,500
Issued, subscribed and paid-up:		
1,05,62,400 (31 March 2022 1,05,62,400) equity shares of Rs.10 each fully paid-up	1,056	1,056
	1,056	1,056

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.

Reconciliation of number of shares outstanding at the beginning and end of the year :

Equity shares :	31 March 2023 No. of Shares	31 March 2022 No. of Shares
Outstanding at the beginning of the year	105,62,400	88,02,000
Equity shares issued during the year*	-	17,60,400
Outstanding at the end of the year	105,62,400	105,62,400

*The company has issued Bonus shares 5 : 1 in the month of June 2021, as equity shares are issued to existing shareholders for no additional consideration, Therefore, the number of equity shares outstanding is increased without an increase in resources , hence the issue of shares is treated as if it had occurred prior to the beginning of the the earliest period reported. Hence the EPS for the previous reporting period adjusted considering the no bonus issue shares issued.

Shareholders holding more than 5% shares in the Company is set out below:

Equity shares of Rs. 10 each fully paid	31 March 2023		31 March 2022	
	No. of Shares	No. of Shares %	No. of Shares	No. of Shares %
Mrs. Indubala S. Vora	23,05,253	21.83%	20,74,441	19.64%
Mr. Sachin S. Vora	19,52,200	18.48%	19,51,208	18.47%
Mr. Sumit S. Vora	18,54,037	17.55%	18,54,036	17.55%
Smc Global Securities Ltd.		0.00%	6,27,840	5.94%

Disclosures of Shareholdings of Promoters is set out below:

Equity shares of Rs. 10 each fully paid	31 March 2023			31 March 2022		
Name of the Promoter	**No. of Shares**	**No. of Shares %**	**% change**	**No. of Shares**	**No. of Shares %**	**% change**
Mrs. Indubala S. Vora	23,05,253	21.83%	2.19%	20,74,441	19.64%	0.07%
Mr. Sachin S. Vora	19,52,200	18.48%	0.01%	19,51,208	18.47%	0.00%
Mr. Sumit S. Vora	18,54,037	17.55%	0.00%	18,54,036	17.55%	0.00%

Disclosures of Shareholdings of Promoters is set out below:

Equity shares of Rs. 10 each fully paid	31 March 2021	
Name of the Promoter	**No. of Shares**	**No. of Shares %**
Mrs. Indubala S. Vora	17,22,700	19.57%
Mr. Sachin S. Vora	16,26,000	18.47%
Mr. Sumit S. Vora	15,45,030	17.55%

15 Other equity

	31 March 2023	31 March 2022
A. Retained earnings	1,121.44	912.59
B. Securities premium	154.18	154.18
C. General reserve	30.00	30.00
D. Equity contribution from shareholders	69.31	69.31
	1,374.93	1,166.08

ADV & ASSOCIATES FRN :128045W CHARTERED ACCOUNTANTS

KRANTI INDUSTRIES LTD. PIRANGUT

	31 March 2023	31 March 2022
Retained earnings		
Opening balance	912.59	690.87
Add/(Less):		
Profit for the year	206.38	210.36
Remeasurements of defined benefit liability (asset)	2.48	3.00
Transfer from (to) other reserves	-	8.36
Closing balance	**1,121.44**	**912.59**
Securities premium		
Opening balance	154.18	337.87
Changes during the year	-	(176.04)
Transaction costs on issue of shares	-	(7.65)
Closing balance	**154.18**	**154.18**
General Reserve		
Opening balance	30.00	30.00
Changes during the year	-	-
Closing balance	**30.00**	**30.00**
Equity contribution from shareholders		
Opening Balance	69.31	77.68
Transfer from/ to reserves	-	(8.36)
Closing Balance	**69.31**	**69.31**

ADV & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN : 128045W

KRANTI INDUSTRIES LTD. * PIRANGUT *

(All amounts are in Rupees Lakhs, unless otherwise stated)

33 Taxes

a) **Statement of profit or loss**

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Current tax:		
Current income tax charge	56.41	49.53
Deferred tax	30.99	59.17
MAT credit entitlement AND Utilisation	13.39	(49.53)
Income tax expense reported in the statement of profit or loss	100.79	59.17

b) **Other comprehensive income (OCI)**
Taxes related to items recognised in OCI during in the year

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Deferred tax		
Remeasurements gains and losses on post employment benefits	(0.95)	(1.05)
Income tax recognised in OCI	(0.95)	(1.05)

c) **Balance sheet**
Tax assets

Particulars	31 March 2023	31 March 2022
Non- current tax assets	15.31	25.95
Current tax assets	-	-
Total tax assets	15.31	25.95

Current tax liabilities

Particulars	31 March 2023	31 March 2022
Income tax (net of provision)	1.78	1.20
Total current tax liabilities	1.78	1.20

d) Deferred tax

Particulars	31 March 2023	31 March 2022
Deferred tax liability (DTL)		
Excess of depreciation/amortisation on property, plant and equipment under income tax act	175.69	166.02
Tax law over depreciation / amortisation provided in books of account	-	-
Borrowings		-
Goodwill	-	-
Borrowings	3.74	-
Unsecured borrowings	0.00	6.88
Mutual Funds		-
Leases	44.60	25.87
		-
	224.03	198.78
Deferred tax asset (DTA)		
MAT credit entitlement	(59.15)	(71.87)
Gratuity	(2.90)	(2.53)
Deferred tax on brought forward losses	0.00	(6.77)
Leave encashment	(2.77)	(2.48)
Corporate guarantee	0.00	(0.37)
Borrowings	-	(0.22)
	(64.82)	(84.24)
Net deferred tax liability/(asset)	159.20	114.54

ADV & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ FRN :128045W

KRANTI INDUSTRIES LTD. ★ PIRANGUT ★

e) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:**

	For Year ended 31 March 2023	For Year ended 31 March 2022
Accounting profit before tax	307.17	269.53
Tax as per IT Act on above @ 27.82% (Prev. year - 26.00%) (A)	85.46	70.08
Tax expenses		
(i) Current tax	56.41	49.53
(ii) Deferred tax	30.99	59.17
(iii) MAT credit entitlement	13.39	(49.53)
(B)	**100.79**	**59.17**
Difference	(13.34)	10.91
Tax reconciliation		
Adjustments:		
Permanent disallowances	-	-
Ind AS transition impacts on MAT computations (1/5th)	7.58	7.08
Tax expenses accounted as no effect of Timing differences on MAT liability	-	1.64
Tax rate difference on book profit as per Minimum Alternate Tax	7.76	(19.62)
Others	-	-
	(0.00)	(0.00)

f) **Movement in temporary differences:**

	01 April 2021	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2022	Recognised in profit or loss during the year	Recognised in OCI during the year	31 March 2023
Deferred tax liability (DTL)							
Excess of depreciation/amortisation on property, plant and equipment under income tax act	169.97	-3.95	-	166.02	9.67	-	175.69
Borrowings	0.15	-0.15	-	-	3.74	-	3.74
Unsecured borrowing	14.04	-7.16	-	6.88	-6.88	-	0.00
Interest cost on PPE	-	-0.22	-	-0.22	0.22	-	-
MAT credit entitlement	-22.35	-49.52	-	-71.87	13.39	-	-59.15
Leases	10.64	15.23	-	25.87	18.73	-	44.60
Gratuity	-0.37	-3.21	1.05	-2.53	-1.33	0.95	-2.90
Deferred tax on brought forward losses	-67.76	60.99	-	-6.77	6.77	-	0.00
Leave encashment	-	-2.48	-	-2.48	-0.29	-	-2.77
Corporate guarantee	-0.47	0.10	-	-0.37	0.37	-	0.00
	103.85	9.64	1.05	114.54	44.39	0.95	159.20

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

ADV & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN :128045W

KRANTI INDUSTRIES LTD. * PIRANGUT *

(All amounts are in Rupees Lakhs, unless otherwise stated)

34 **Earnings Per Share**

Particulars	For year ended 31 March 2023	For year ended 31 March 2022
Profit / (Loss) attributable to equity shareholders	206.38	210.36
Basic Earnings Per Share		
Weighted average number of equity shares outstanding during the year*	105,62,400	105,62,400
Basic EPS (Rs.)	1.95	1.99
Diluted Earnings Per Share		
Weighted average number of equity shares outstanding for diluted EPS*	105,62,400	105,62,400
Diluted EPS (Rs.)	1.95	1.99

*The company has issued Bonus shares 5 : 1 in the month of June 2021, as equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in resources , hence the issue of shares is treated as if it had occurred prior to the beginning of the the earliest period reported.

35 **Contingent liabilities:**

Particulars	31 March 2023	31 March 2022
Pending litigation under Income Tax Act	14,42,000	14,42,000
	14,42,000	**14,42,000**

36 **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	31 March 2023	31 March 2022
The amount remaining unpaid to micro and small suppliers as at the end of each accounting year		
- Principal	267.82	271.77
- Interest	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006	Nil	Nil
The amount of payment made to micro and small supplier beyond the appointed day during each accounting year.	Nil	Nil
The amount of interest due and payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	Nil	Nil

37 **Note 37 : Corporate social responsibilty**

The provisions for CSR are not applicable to the company for all the reporting period.

ADV & ASSOCIATES CHARTERED ACCOUNTANTS FRN :128045W

KRANTI INDUSTRIES LTD. PIRANGUT

(All amounts are in Rupees Lakhs, unless otherwise stated)

38 Related Party Disclosures

(a) List of Related Parties and description of relationship:

Subsidiary company
Wonder Precision Private Limited

Associate company
Kranti SFCI Private Limited

Key Management Personnel (KMP)
Mr. Sachin Vora
Mr. Sumit Vora
Mrs. Sheela Dhawale
Mr. Bhavesh Selarka

Relative of Key Management Personnel
Smt. Indubala Vora
Mrs. Sarika Sachin Vora
Mrs. Lushita Sumit Vora

Other relative parties
Kranti Industries EGGLAS
Suyash Engineering

(b) Related party transactions:

Sr. no	Nature of Transaction	31 March 2023					31 March 2022				
		Key Management Personnel (KMP)/Relative of Key Management Personnel	Associates	Subsidiary Company	Other related parties	Total	Key Management Personnel (KMP)/Relative of Key Management Personnel	Associates	Subsidiary Company	Other related parties	Total
	Remuneration to Key Managerial persons										
	Short-term employee benefits	75.10	-	-	-	75.10	74.80	-	-	-	74.80
	Post employement benefits		-	-	-	-	0.86	-	-	-	0.86
	Other long-term employee benefits	-	-	-	-	-	-	-	-	-	-
	Termination benefits	-	-	-	-	-	-	-	-	-	-
	Share based payments	-	-	-	-	-	-	-	-	-	-
	Purchase of material & job charges	-	9.31	73.64	60.49	143.44	-	-	101.22	-	101.22
	Purchase of Fixed Assets			100.25		100.25					
	Advances given to the Associates Company		20.00								
	Loans amount accepted from related parties during the year	142.00									
	Sale of machines	-	-	-	-	-	-	-	-	-	-
	Gratuity premium paid	-	-	-	0.35	0.35	-	-	-	6.10	6.10
		217.10	29.31	173.89	60.84	319.15	75.66	-	101.22		182.98

(c) Balances outstanding at the end of the year:-

Particulars	31 March 2023	31 March 2022
a. Loans taken from related parties	467.00	298.52
b. Trade Payables as on date Related Party	2.43	11.52
c. Advances given to the Associates Company	20.00	-

ADV & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ FRN :128045W

ADV & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ FRN :128045W

(All amounts are in Rupees Lakhs, unless otherwise stated)

39 Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies. The board regularly meets to decide its risk management activities.
The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.
The Company's management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is also assisted by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.
The Company has exposure to the following risks arising from financial instruments:

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
The Company's treasury department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.
The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

Particulars	31-Mar-23	31 March 2022
Total current assets (A)	1,889.47	1,478.60
Total current liabilities (B)	2,597.07	2,345.51
Working capital (A-B)	**(707.60)**	**(866.91)**

Following is the Company's exposure to financial liabilities based on the contractual maturity as at reporting date.

	31-Mar-23			
		Contractual cash flows		
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	2,973.62	1,326.77	1,646.85	2,973.62
Trade payables	1,003.50	1,003.50	-	1,003.50
Lease liabilities	270.38	70.20	200.19	270.38
Other liabilities	153.88	153.88	-	153.88

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	31 March 2022			
	Contractual cash flows			
	Carrying value	Less than 1 year	More than 1 year	Total
Borrowings	2,129.15	1,169.94	959.21	2,129.15
Trade payables	839.57	839.57	-	839.57
Lease liabilities	348.18	77.79	270.38	348.17
Other liabilities	167.85	167.85	-	167.85

(c) Interest rate risk:

The company does not face any interest rate risk as all the borrowings of the company have a fixed interest rate.

(d) Market risk

Market risk is the risk that changes with market prices – such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The company does not have any outstanding foreign currency balances as on the reporting dates.

40 Capital management

The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.

The Company's objectives when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital using debt-equity ratio, which is net debt divided by total equity. These ratios are illustrated below:

Particulars	31-Mar-23	31 March 2022
Total liabilities	4,604.07	3,691.74
Less: cash and cash equivalents and bank balances	0.71	0.45
Net debt	**4,603.36**	**3,691.30**
Total equity	**2,431.17**	**2,222.32**
Debt-equity ratio	189.35%	166.10%

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41 **Fair value measurements**

(a) **Categories of financial instruments -**

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Category	Level 1	Level 3	Level 2	Level 1	Level 3	Level 2
Financial assets						
Investment	-	8.20	-	35.17	8.20	-
Trade receivables	-	-	836.77	-	-	608.81
Cash and cash equivalents	-	-	0.71	-	-	0.45
Other bank balances	-	-		-	-	-
Loans	-	-	53.20	-	-	28.15
Other financial assets	-	-	0.82	-	-	2.36
Total financial assets	**-**	**8.20**	**891.51**	**35.17**	**8.20**	**639.77**
Financial liabilities						
Borrowings	-	-	2,973.62	-	-	2,129.15
Lease liabilities	-	-	270.38	-	-	348.18
Trade payables	-	-	1,003.50	-	-	839.57
Other financial liabilities	-	-	153.88	-	-	167.85
Total financial liabilities	**-**	**-**	**4,401.39**	**-**	**-**	**3,484.75**

(b) **Fair value hierarchy:**

As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. As illustrated above, all financial instruments of the company which are carried at amortised cost approximates the fair value. Accordingly fair value disclosures have not been made for these financial instruments. Investments in equity shares and mutual funds which are designated at FVTPL & investment in equity shares which are classified as FVTOCI are at fair value.

(c) Investment in subsidiaries and associates is accounted at cost in accordance with Ind AS 27 - "Separate financial statements". Accordingly such investments are not recorded at fair value.

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42 **Post-employment benefit plans**

As per Indian Accounting Standard 19" Employee Benefits", the disclosures as defined are given below-

A. Defined Contribution Plans

Contribution to defined contribution plans, recognised as expense for the year is as under:

Particulars	31 March 2023	For Year ended 31 March 2022
Employer's contribution to provident fund	35.30	33.74

Company's contribution paid/payable during the year to provident fund are recognised in the Statement of Profit and Loss.

B. Defined Benefit Plans

Gratuity

The Company has defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. These benefits are funded with an insurance company.

Liability Risks

1. **Asset-Liability mismatch risk-** Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

2. **Discount rate risk-** Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

3. **Future salary escalation and inflation risk** - Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss, the funded status and amounts recognised in balance sheet for the plan.

Net employee benefit expense on account of gratuity recognised in employee benefit expenses

Particulars	31 March 2023	31 March 2022
Current service cost	9.03	7.43
Net interest (Income)/ Expense	0.38	0.33
Net benefit expense	**9.41**	**7.76**

Changes in the present value of the defined benefit obligation are as follows :

Particulars	31 March 2023	31 March 2022
Projected benefit obligation at the beginning of the year	**73.91**	**66.69**
Interest cost	5.28	4.57
Current service cost	9.03	7.43
Actuarial (gain)/ loss on obligations	(4.68)	(3.12)
Benefits paid	(4.93)	(1.66)
Present value of obligation at the end of the year	**78.61**	**73.91**

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2023	31 March 2022
Fair value of plan assets at the beginning of the year	**64.19**	**57.28**
Interest income	4.90	4.24
Contributions	0.35	5.00
Mortality charges and taxes	-	-
Benefits paid	-	(1.66)
Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(1.26)	(0.67)
Fair value of Plan assets at end of the year	**68.18**	**64.19**
Actual return on plan assets	3.65	3.57

Amount recognised in the statement of other comprehensive income

Particulars	31 March 2023	31 March 2022
Re-measurement for the year - obligation (gain) loss	3.43	4.05
Re-measurement for the year - plan assets (gain) / loss	-	-
Total re-measurements cost / (credit) for the year recognised in other comprehensive income	**3.43**	**4.05**

Net Defined Benefit Liability/(Asset) for the year

Particulars	31 March 2023	31 March 2022
Defined benefit obligation	78.61	73.91
Fair value of plan assets	68.18	64.19
Closing net defined benefit liability/(asset)	**10.43**	**9.72**

Current	9.67	9.03
Non-Current	0.75	0.69

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Nature of plan assets	31 March 2023	31 March 2022
Funds managed by insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

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Assumptions

Particulars	31 March 2023	31 March 2022
	%	%
Mortality table	IALM (2012- 14)	IALM (2012- 14)
Discount rate	7.30%	7.30%
Rate of increase in compensation levels	5.00%	5.00%
Expected rate of return on plan assets	7.00%	7.00%
Withdrawal rate #		
Age 25 & Below	3.00%	3.00%
Age 25- 35 years	2.00%	2.00%
Age 35 - 45 years	1.00%	1.00%
Age 45 - 55 years	1.00%	1.00%
Age 55 years & Above	1.00%	1.00%
Expected average remaining working lives of employees (in years)	16.55 *	16.89 *

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

Assumption has been revised by the Company based on their past experience and future expectations

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Defined benefit obligation			
	31 March 2023		31 March 2022	
	Increase by 1 %	Decrease by 1 %	Increase by 1 %	Decrease by 1 %
Discount Rate				
Discount Rate	1.00%	-1.00%	8.30%	6.30%
Amount	68.00	91.48	63.90	86.12
Salary increment Rate				
Salary increment Rate	6.00%	4.00%	6.00%	4.00%
Amount	90.41	68.59	85.20	64.51
Impact of change in withdrawal Rate				
Withdrawal Rate	4.00%	2.00%	4.00%	2.00%
Amount	78.66	78.57	73.97	73.86

Expected contribution for the next Annual reporting period.

The Company intends to contribute Rs. 9.67 Lakhs towards its gratuity fund in next year

Expected future benefit payments (Undiscounted)

The following benefit payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

Year ending 31 March 2023	Expected benefit payment rounded of to nearest thousand
0 to 1 Year	2.76
1 to 2 Year	1.74
2 to 3 Year	1.79
3 to 4 Year	1.85
4 to 5 Year	4.62
6 to 10 Year	15.31

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43 Revenue from contracts with customers

A. Revenue streams

Particulars	For year ended 31 March 2023	For year ended 31 March 2022
Revenue from operations		
Sales of goods	8,171.18	8,132.85
Sale of services (Labour charges)	564.17	606.26
Other non operating income		
Sale of Scrap	366.64	396.52
Cash discount received	37.75	47.65
	9,139.73	**9,183.28**

Particulars	For year ended 31 March 2023	For year ended 31 March 2022
Timing of revenue recognition		
At point in time	8,575.56	8,577.02
Over the period in time	564.17	606.26
Total revenue	**9,139.73**	**9,183.28**

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44 Leases

A. As a lessee

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.
The Company decided to apply recognition exemptions to short-term leases . For leases of other assets, which were classified as operating under AS 19, the Company recognised right-of-use assets and lease liabilities.

B. As a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1st April 2020. The weighted-average rate applied is 11.75%.

C. Impacts on financial statements

A1. Lease liabilities

	31 March 2023	31 March 2022
Current	70.20	77.79
Non Current	200.19	270.38
Total	**270.38**	**348.18**

Maturity Analysis - Contractual undiscounted cash flow	31 March 2023	31 March 2022
Less than 1 Year	96.54	112.44
More than 1 Year	229.68	326.21
Total	**326.21**	**438.65**

A2. Amount recognised in statement of profit & loss

Interest expenses on lease liabilities	For year ended 31 March 2023	For year ended 31 March 2022
Interest on lease liabilities	34.65	21.28

Expenses on short-term leases / low value assets	For year ended 31 March 2023	For year ended 31 March 2022
Short-term lease	4.95	6.60
Low value assets	-	-

Amounts recognised in the statement of cash flow	For year ended 31 March 2023	For year ended 31 March 2022
Principle Amount	(77.79)	(61.64)
Unwinding of interest on lease liabilities	(34.65)	(21.28)
Total cash outflow for leases	(112.44)	(82.92)

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45 Ratios analysis & it's elements

Particulars	31-Mar-23	31 March 2022	% change from 31 March 2021 to 31 March 2022	Reasons if % change is 25% or more
Current Ratio	73%	63%	15%	Changes is less than 25 %
Debt-Equity Ratio	122%	96%	28%	There in increase in debt of the company resulted in change in this ratio
Debt Service Coverage Ratio	27%	30%	-8%	Changes is less than 25 %
Return on Equity Ratio	8%	9%	-10%	Changes is less than 25 %
Inventory turnover ratio	697%	760%	-8%	Changes is less than 25 %
Trade Receivables turnover ratio	1265%	1254%	1%	Changes is less than 25 %
Trade payables turnover ratio	665%	646%	3%	Changes is less than 25 %
Net capital turnover ratio	-1292%	-1059%	22%	Changes is less than 25 %
Net profit ratio	2%	2%	-1%	Changes is less than 25 %
Return on Capital employed	10%	11%	-9%	Changes is less than 25 %
Return on investment	9%	10%	-11%	Changes is less than 25 %

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Ratios	Numerator	Denominator	31-Mar-23		31 March 2022	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	**Current assets**	**Current liabilities**	1,889.47	2,597.07	1,478.60	2,345.51
Debt-Equity Ratio	**Debt** :- long term borrowings + short term borrowings	**Equity** :- Total Equity	2,973.62	2,431.17	2,129.15	2,222.32
Debt Service Coverage Ratio	**Earning available for debt services** :- net profit before tax + non cash expenses tax (Depreciation and Amortisation) + interest expense on borrowings	**Interest + Installment** :- interest expenses on borrowings and current maturities	824.80	3,002.96	799.80	2,676.81
Return on Equity Ratio	Total Profit / (loss) for the period / year	Total Equity	206.38	2,431.17	210.36	2,222.32
Inventory turnover ratio	**Cost of good sold** :- Cost of material, operation and incidental cost+ changes in inventories of stock-in-trade	Average Inventory	6,097.90	874.37	6,096.12	802.57
Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivables	9,139.73	722.79	9,183.28	732.21
Trade payables turnover ratio	Total Purchase	Average Trade Payables	6,130.23	921.53	6,072.45	940.54
Net capital turnover ratio	Revenue from operations	Working capital	9,139.73	(707.60)	9,183.28	(866.91)
Net profit ratio	Profit / (loss) after tax	Revenue from operations	206.38	9,139.73	210.36	9,183.28
Return on Capital employed	**Earning before interest & taxes (EBIT)** :- profit / (loss) before tax + interest expenses on financial liabilities carried at amortised cost	Capital Employed :- total equity (parent+ non controlling interest) + borrowings + deferred tax	533.12	5,564.00	469.00	4,466.01

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Return on investment	Profit / (loss) after tax attributable to owners of the company	Equity shareholders' fund	208.85	2,431.17	213.36	2,222.32

The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.

46 Additional Regulatory Information

Details of Benami Property held
The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

Details of Loans and advances
The company has not granted any loans and advances to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment.

Wilful Defaulter
The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet.

Relationship with Struck off Companies
The Company do not have any transactions with companies struck off.

Registration of charges or satisfaction with Registrar of Companies (ROC)
The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period.

Compliance with number of layers of companies
The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Compliance with approved Scheme(s) of Arrangements
There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Discrepancy in utilization of borrowings
The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Utilisation of Borrowed funds and share premium:
(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).
(B) the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).

The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries:

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47 Additional Information

Undisclosed income
The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Details of Crypto Currency or Virtual Currency
The company has not traded or invested in Crypto currency or Virtual Currency

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48 **Operating Segment**

A. Description of segments and principal activities

The Company's is engaged in the field of engineering products and caters to the needs of the Automobile manufacturing companies. This is considered as the single reportable segment.

B. Information about major customers

Revenues from two customers of the Company's automobile segments represented approximately Rs. 6446.96 Lakhs (31 March 2022: Rs. 6846.70 lakhs) of the Company's total revenues.

49 Previous year's figures have been regrouped/reclassified wherever necessary to conform current year's presentation.

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