

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 7TH ANNUAL GENERAL MEETING (the “AGM”) OF MEMBERS OF KRN HEAT EXCHANGER AND REFRIGERATION LIMITED (“THE COMPANY”) WILL BE HELD ON SATURDAY, THE 28TH DAY OF SEPTEMBER 2024 AT 4:00 P.M. AT ITS REGISTERED OFFICE AT PLOT NO. F-46, 47, 48, 49, EPIP, RIICO INDUSTRIAL AREA, NEEMRANA, DISTT. ALWAR, RAJASTHAN-301705, TO TRANSACT THE FOLLOWING BUSINESS:

A. AS ORDINARY BUSINESS:

Item No. 1. Adoption of Financial Statements & Reports:

To receive, consider and adopt:

- (a) the audited standalone financial statements of the Company for the financial year ended 31st March 2024, together with the Reports of the Board of Directors and Auditors thereon; and
- (b) the audited consolidated financial statements of the Company for the financial year ended 31st March 2024, together with the report of the Auditors thereon.

Item No. 2. Appointment of Mrs. Anju Devi as a director liable to retire by rotation:

To appoint a Director in place of Mrs. Anju Devi, Whole-time Director (DIN: 06858442), who retires by rotation and being eligible, offers herself for re-appointment.

B. AS SPECIAL BUSINESS:

Item No. 3. Ratification of remuneration to be paid to M/s. R S Chauhan & Associates, Cost Accountants, Cost Auditors of the Company:

To consider & if thought fit, to pass with or without modification(s), the following resolution as *Ordinary Resolution*:

RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. R S Chauhan & Associates, Cost Accountants (FRN: 003517), Cost Auditors of Rs. 1,00,000/- (INR One Lakh Only) per annum plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, approved by the Board of Directors on recommendation of the Audit Committee, to conduct the audit of cost records of the Company for the financial year 2024-2025, be and is hereby ratified and approved.



FURTHER RESOLVED THAT the Board of the Company (which term shall be deemed to include any Committee thereof) be and are hereby authorized to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.

Item No. 4: Ratification of Related Party Transactions entered during the F.Y. 2023-24:

To consider & if thought fit, to pass with or without modification(s), the following resolution as *Ordinary Resolution*:

RESOLVED THAT pursuant to the provisions of Section 2(76), 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board & its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and also pursuant to the omnibus approval of the Audit Committee in their Meeting, the material related party transactions as entered into by the Company with related parties in ordinary course of business and are at arm's length basis during the financial year 2023-24 as detailed in the explanatory statement annexed to this notice, the value of which either singly or all taken together exceeds ten percent of the annual consolidated turnover of the Company as per audited financial statements of FY: 2022-23 be and are hereby ratified and approved.

FURTHER RESOLVED THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any other duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company / Subsidiary in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed.

FURTHER RESOLVED THAT that all actions taken by the Board of the Company (including any Committee thereof) in connection with any matter referred to or contemplated in this resolution, be approved, ratified and confirmed in all respects.

Item No. 5: Approval of the Related Party Transactions:

To consider & if thought fit, to pass with or without modification(s), the following resolution as *Ordinary Resolution*:


RESOLVED THAT pursuant to the provisions of Section 2(76), 188 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meetings of Board & its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable laws / statutory provisions, if any, as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) entered into/ proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as

mentioned in detail in the explanatory Statement annexed herewith, between the Company and Subsidiary/ Associate Company/ and/ or other related parties, on such terms and conditions as may be mutually agreed between the parties, for an aggregate value not exceeding Rs. 500.00 Crores during the financial year 2024-25, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

FURTHER RESOLVED THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any other duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion, to delegate all or any of its powers conferred under this resolution to any Director of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company / Subsidiary in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed.

FURTHER RESOLVED THAT that all actions taken by the Board of the Company (including any Committee thereof) in connection with any matter referred to or contemplated in this resolution, be approved, ratified and confirmed in all respects.

By order of the Board of Directors

For KRN Heat Exchanger And Refrigeration Limited

Chairman And Managing Director
(Santosh Kumar Yadav)
Chairman & Managing Director
DIN: 07789940

Place: Neemrana, Alwar

Dated: 06.09.2024

NOTES:

- 1.1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, OR ONE OR MORE PROXIES (WHERE ALLOWED) TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF COMPANY. A PROXY MAY BE SENT IN THE FORM NO. MGT-11 ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.**
- 1.2. **A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
- 1.3. **A PERSON CAN ACT AS PROXY FOR MAXIMUM 50 MEMBERS AND AGGREGATE HOLDING OF SUCH MEMBERS SHALL NOT BE MORE THAN 10% OF TOTAL SHARE CAPITAL OF THE COMPANY HAVING VOTING RIGHTS.**
2. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting (AGM) is attached herewith and form part of this notice.
3. Members/ Proxies should fill in the Attendance slip/ sheet for attending the Meeting.
4. Corporate Members, if any, intending to authorise their representatives pursuant to Section 113 of the Act to attend and cast their votes in the meeting are requested to send certified copy of the Board/ governing body resolution/ authorisation etc. authorising their representatives to attend and vote on their behalf at the Meeting.
5. Members desiring any information relating to the financials are requested to write to the Company well in advance so as to enable the management to keep the information ready.
6. Members are requested to update the company with their email ID, address, and any other information, registered with the company, if any changes therein.
7. Members are requested to bring their copies of the Annual Report with them.
8. All documents required to be kept open for inspection, if any, shall be open for inspection at the Registered Office of the Company between 11.00 A.M. and 5.00 P.M. on all working days (except Sundays and Holidays) till the conclusion of the Meeting.
9. In terms of Section 20 of the Companies Act, 2013, the Notice is being sent to all the Members on the electronic mail address as provided by the Registrar or the Member from time to time for sending communications unless any Member has requested for a hard copy of the same. Members are requested to register their E-mail Id with their Depository Participant/the Company and inform any changes to the same from time to time. However, Members who prefer physical copy to be delivered may write to the Company at its Registered Office by providing their DP Id and Client Id/ledger folio number as reference.
10. Members are requested to notify any change in their registered address along with pin code and quote their respective ledger folio number/ DP Id and Client Id on every communication with the Company/Depository Participant.
11. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts and

Arrangements in which directors are Interested maintained under Section 189 of Companies Act, 2013 will be available for inspection by the members at the AGM.

12. Route map of venue of annual general meeting is annexed, pursuant to the provisions of the Secretarial Standard-2.

By order of the Board of Directors

For KRN Heat Exchanger And Refrigeration Limited

Chairman And Managing Director

(Santosh Kumar Yadav)
Chairman & Managing Director
DIN: 07789940

Place: Neemrana, Alwar

Dated: 06.09.2024

Explanatory Statement
(Pursuant to Section 102(1) of the Companies Act, 2013)

Item No. 3:

The Board of Directors of the Company at their meeting held on 20th August 2024 on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. R S Chauhan & Associates, Cost Accountants (Firm Registration No. 003517) to conduct the audit of the cost records of the Company for the Financial Year ending 31st March 2025 at a remuneration of Rs. 1,00,000/- (INR One Lakh Only) plus applicable taxes and out of pocket expenses as applicable. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending 31st March 2025.

The Board of Directors of your Company recommends that the Resolution under Item No. 3 be passed in the interest of your Company as Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested either financially or otherwise, in the Resolution at Item No. 3 of the Notice.

Item No. 4:

The Company has entered into Related Party Transactions during the Financial Year 2023-24 with Related Parties a brief summary of these transactions is given below:

S.No	Name(s) of the related party	Nature of Relationship	Type of contracts/ arrangements/ transactions	Total Value of all the Contracts
1	Santosh Kumar Yadav	Promoter	Remuneration	60.00
			Loan Taken	60.00
			Interest on loan	0.96
2	Anju Devi	Promoter	Remuneration	30.00
			Loan Taken	0
			Interest on loan	4.72
3	Manohar Lal	Promoter	Salary	.62
4	Sudesh Devi	Promoter Group	Salary	24.00
5	Sonu Gupta	Key Managerial Personnel	Salary	7.65
6	Praveen Kumar	Key Managerial Personnel	Salary	7.56
7	KRNC coils Private Limited	Group Company	Loan Given	870.59
			Expenses	0.22
			Purchase of material	4.58
			Sale of material	1482.05
8	KRN HVAC Products Private Limited	Subsidiary Company	Purchase of material	1.95
			Loan Given	470.50

As per the provisions of Section 188 (1) of the Companies Act, 2013 “Related Party Transactions” requires obtaining prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of Companies (Meeting of Board and its Power) Rules, 2015. Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 requires taking prior approval of the Company by Resolution where transactions proposed to be entered to falls, in the list of items referred therein and are in excess of threshold limits. Proviso to Section 188 further provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered into by the company in the ordinary course of business other than transactions which are not on an arm’s length basis. All transactions entered into by the Company with Related Parties as mentioned above are in the ordinary course of business and are at arm’s length basis.

As per the applicable provisions of Companies Act, 2013 all related party transactions shall be considered as “Material” if the transaction entered with individually or taken together with a Related Party along with previous transactions during a financial year exceed 10% of the Annual Consolidated Turnover of the company as per the Last Audited Financial Statement of the Company. The Material Related Party Transactions requires approval of the Shareholders by passing a Resolution and in respect of voting on such resolution(s), the said related party shall abstain from voting.

Members may please note that, transactions entered into by the Company with Related Parties for the Financial Year 2023-24 is “Material” and the value of which either singly or all taken together exceeds ten percent of the annual consolidated turnover of the Company as per audited financial statements of FY: 2022-23 and therefore requires ratification of the said transactions by the Members of the Company by Ordinary Resolutions. The Audit Committee has also given their prior omnibus approval to the transactions entered as mentioned above during the Financial Year 2023-24.

Members are hereby informed that no Members of the Company shall vote on the Resolution to ratify related party transactions entered into by the Company during the Financial Year 2023-24 as mentioned above if such Member is a related party.

The Board of Directors of the Company recommends the Ordinary Resolution as set out at Item No. 4 in the accompanying Notice for ratification of Related Party Transactions by the Members of the Company.

Except Mr. Santosh Kumar Yadav, Managing Director, Mrs. Anju Devi, Whole-time Director, Mr. Manohar Lal, Director, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise and none of the Directors of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution at Item No. 4 of the Notice.

Item No. 5:

The Company shall enter into Related Party Transactions during the Financial Year 2024-25 with Related Parties a brief summary of these transactions is given below:

(Amount In Crore)

S.No	Name(s) of the related party	Nature of Relationship	Overall limit of transactions not exceeding to an amount aggregate of Rs. 500.00 Crores
1	Santosh Kumar Yadav	Promoter	20
2	Anju Devi	Promoter	20
3	Manohar Lal	Promoter	4

4	Sudesh Devi	Promoter Group	2
5	Sonu Gupta	Key Managerial Personnel	2
6	Praveen Kumar	Key Managerial Personnel	2
7	KRN Coils Private Limited	Group Company	50
8	KRN HVAC Products Private Limited	Subsidiary Company	400

As per the provisions of Section 188 (1) of the Companies Act, 2013 "Related Party Transactions" requires obtaining prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of Companies (Meeting of Board and its Power) Rules, 2015. Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 requires taking prior approval of the Company by Resolution where transactions proposed to be entered to falls, in the list of items referred therein and are in excess of threshold limits. Proviso to Section 188 further provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered into by the company in the ordinary course of business other than transactions which are not on an arm's length basis. All transactions entered into by the Company with Related Parties as mentioned above are in the ordinary course of business and are at arm's length basis.


As per the applicable provisions of Companies Act, 2013 all related party transactions shall be considered as "Material" if the transaction entered with individually or taken together with a Related Party along with previous transactions during a financial year exceed 10% of the Annual Consolidated Turnover of the company as per the Last Audited Financial Statement of the Company. The Material Related Party Transactions requires approval of the Shareholders by passing a Resolution and in respect of voting on such resolution(s), the said related party shall abstain from voting.

Members are hereby informed that no Members of the Company shall vote on the Resolution to approve the related party transactions to be entered into by the Company during the Financial Year 2024-25 as mentioned above if such Member is a related party.

The Board of Directors of the Company recommends the Ordinary Resolution as set out at Item No. 5 in the accompanying Notice for ratification of Related Party Transactions by the Members of the Company.

Except Mr. Santosh Kumar Yadav, Managing Director, Mrs. Anju Devi, Whole-time Director, Mr. Manohar Lal, Director, Key Managerial Personnel and their relatives are concerned or interested financially or otherwise and none of the Directors of the Company and their relatives is concerned or interested, financially or otherwise, in the said Resolution at Item No. 5 of the Notice.

**By order of the Board of Directors
For KRN Heat Exchanger And Refrigeration Limited**



Chairman And Managing Director

**(Santosh Kumar Yadav)
Chairman & Managing Director
DIN: 07789940**

Place: Neemrana, Alwar

Dated: 06.09.2024

Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: **U29309RJ2017PLC058905**

Name of the Company: **KRN Heat Exchanger and Refrigeration Limited**

Registered Office : Plot No. F-46, 47, 48, 49, EPIP, RIICO Industrial Area, Neemrana,
Distt. Alwar, Rajasthan-301705.

Name of the Member(s):

Registered address:

E-mail Id:

Folio No./Client Id & DP. Id:

I/We, being the Member(s) ofshares of the above-named Company, hereby appoint

1. Name:.....

Address:

E-mail Id:

Signature:..... , or failing him

2. Name:.....

Address:

E-mail Id:

Signature:..... , or failing him

3. Name:.....

Address:

E-mail Id:

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 7th Annual General Meeting of members of the Company, to be held on Saturday, the 28th day of September 2024 at 4:00 P.M. at its registered office at Plot No. F-46, 47, 48, 49, EPIP, RIICO Industrial Area, Neemrana, Distt. Alwar, Rajasthan-301705 in respect of such resolutions as are indicated below:

Resolution Nos.:

1. Adoption of:
 - (a) the audited standalone financial statements of the Company for the financial year ended 31st March 2024, together with the Reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statements of the Company for the financial year ended 31st March 2024, together with the report of the Auditors thereon.
2. Appointment of Mrs. Anju Devi as director liable to retire by rotation.
3. Ratification of remuneration of M/s R S Chauhan & Associates, Cost Accountants, cost auditors of the Company.
4. Ratification of Related Party Transactions entered during the F.Y. 2023-24.
5. Approval of the Related Party Transactions.

Signed this.....day of.....2024.

Signature of shareholder(s)



Signature of Proxy holder(s)

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

7th Annual General Meeting

Please complete this Attendance Slip and hand it over at the entrance of the Meeting Hall.

Ledger folio No.:	
No. of Shares held:	

NAME OF THE MEMBER/ PROXY

ADDRESS

I hereby record my presence at 7th Annual General Meeting of members of the Company held on Saturday, the 28th day of September 2024 at 4:00 P.M. at its registered office at Plot No. F-46, 47, 48, 49, EPIP, RIICO Industrial Area, Neemrana, Distt. Alwar, Rajasthan-301705.

SIGNATURE OF THE MEMBER/PROXY

- A member/proxy wishing to attend the Meeting must complete this Attendance Slip before coming to the Meeting and hand it over at the entrance.
- If you intend to appoint a proxy, please complete the Proxy Form in Form MGT-11 and deposit it at the Company's Registered Office, at least 48 hours before the Meeting.

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BOARD'S REPORT

Dear Shareholders,

The Board of Directors have pleasure in presenting the 7th Board's Report of your Company together with the audited standalone and consolidated Ind AS financial statements for the financial year ended March 31, 2024.

1. State of Company Affairs:

A. Standalone Financial Highlights:

The highlights of the Standalone financial performance of the Company during the financial year ended 31st March 2024 as compared to previous financial year ended 31st March 2023 are summarized herein below:

Particulars	(Amount in Rs. Lakhs)	
	31 st March 2024	31 st March 2023
Revenue from operations	30823.54	24748.08
Other Income	536.38	254.21
Profit before Depreciation and Tax	6031.2	4845.69
Less : Depreciation and Amortization Exp.	(391.93)	(317.14)
Prior Period Item	-	203.84
Profit/(Loss) before Tax	5639.27	4732.39
Less: Tax Expenses	(1650.78)	(1377.65)
Profit/(Loss) after Tax (PAT)	3988.49	3354.74
Less: Other Comprehensive (Income)/Expense	4.20	(0.16)
Total Comprehensive Income for the Year	3984.29	3354.90
Earnings per share (Basic/Diluted) (In Rs.)	8.87	7.62

B. Consolidated Financial Highlights:

The highlights of the Consolidated financial performance of the Company during the financial year ended 31st March 2024 are summarized herein below:

Particulars	(Amount in Rs. Lakhs)	
	31 st March 2024	
Revenue from operations	30828.31	
Other Income	545.78	
Profit before Depreciation and Tax	5992.44	
Less : Depreciation and Amortization Exp.	(399.05)	
Profit/(Loss) before Tax	5593.39	
Less: Tax Expenses	(1654.40)	
Profit/(Loss) after Tax (PAT)	3938.99	
Less: Other Comprehensive (Income)/Expense	4.20	
Total Comprehensive Income for the Year	3934.79	
Earnings per share (Basic/Diluted) (In Rs.)	8.86	

C. Business Performance:

Revenue

Total revenue from operations for the year ended on March 31, 2024, amounted to **Rs. 30823.54 in Lakhs** against **Rs. 24748.08 in Lakhs** for the corresponding previous year, which consists of revenues from manufacturing and trading of Heat Exchangers, OEM coils, Condensing units, Copper fittings and allied products.

The Total consolidated revenue from operations for the year ended on March 31, 2024, amounted to **Rs. 30828.31 in Lakhs**.

Profit After Tax

The Profit after tax for the year ended on March 31, 2024, amounted to **Rs. 3984.29 in Lakhs** as against Profit of **Rs. 3354.90 in Lakhs** for the previous year. The business of the company is growing continually across the world and makes profits despite challenging times by introducing innovations and putting its best efforts across promotions, network connections, technology and connecting with stakeholders.

The Total consolidated profit after tax for the year ended on March 31, 2024, amounted to **Rs. 3938.99 in Lakhs**.

D. Share Capital:

During the year under review, the following changes were made in the capital structure of the Company:

- Authorised Share Capital of the Company was increased from Rs. 66.00 Crores to Rs. 72.00 Crores in an extra ordinary general meeting of members of the Company held on 23.12.2023.
- Issue, Subscribed and Paid-Up capital of the Company was raised up to Rs. 46.13 Crores by issue and allotment of 21,36,600 fully paid-up equity shares on a preferential basis by way of private placement in the board meeting held on 21.10.2023 ranked pari passu in all respects with the existing equity shares.

Further, during the period under review, your Company has not bought back any of its securities/ has not issued any Sweat Equity Shares / has not issued shares with differential voting rights and there has been no change in the voting rights of the shareholders.

E. Change in the nature of business, if any:

During the year under review, there is no change in the nature of business of the company as compared to immediately preceding year.

2. Amount transfer to reserves:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review.

3. Dividend:

Your directors are unable to recommend any dividend for shareholders for the financial year ended on 31.03.2024.

4. Web Address, if any, where Annual Return referred to in Sub-Section (3) of Section 92 has been placed:

Pursuant to Section 92 of the Companies Act, 2013 read with Rule 12 of The Companies (Management and Administration) Rules, 2014 and Section 134 (3) (a), the copy of Annual Return can be accessed on the website of the Company at <https://www.krnheatexchanger.com>.

5. Number of Meetings of the Board of Directors and Members and Committees of Board:

Board Meetings:

During the year under review, the Board of Directors of the company met 25 (Twenty-Five) times. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Proper notices were given, and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act.

Members Meetings:

During the year under review, Seven (7) meetings were held by the members of the Company.

Proper notices were given, and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act.

Committees of the Board:

The Board had duly constituted/ reconstituted the following Committees, which are in line with the provisions of applicable laws:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Corporate Social Responsibility Committee
- d. Stakeholders' Relationship Committee
- e. Internal Complaints Committee

6. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:

In terms of Section 134(3)(l) of the Companies Act, 2013, no material changes and commitments occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report which may materially affect the financial position of the Company.

7. Directors and Key Managerial Personnel (KMP):

The Board of Directors is duly constituted and during the year under review the following changes took place:

- Mr. Surender Singh was appointed as the CFO of the company w.e.f. 09.05.2023.
- The category of Mr. Manohar Lal having DIN: 10040507 was changed to non-executive director & member of Promoter group w.e.f. 09.05.2023.
- Mr. Santosh Kumar Yadav (DIN: 07789940) was appointed as Managing Director and CEO of the Company w.e.f. 09.05.2023. Later he was re-designated as Chairman & Managing Director by the Board w.e.f. 06.06.2023 and the same was approved by members in the Extra-ordinary General Meeting held on 10.06.2023.
- Mrs. Anju Devi (DIN: 06858442) was appointed as Whole Time Director of the Company w.e.f. 09.05.2023
- Mr. Ajay Pal Yadav (DIN: 10040569), Mr. Bheem Singh Yadav (DIN 09268161) and Mr. Rajat Raj Yadav (DIN: 10118405) were appointed by the Board as Additional Independent Directors on 09.05.2023. Later their appointment was regularized as Independent Director in Extra-ordinary General Meeting held on 13.05.2023.

- Mr. Surender Singh resigned from the post of CFO w.e.f. 19.07.2023 and later Mr. Sonu Gupta was appointed as CFO w.e.f. 19.08.2023.
- Mr. Ajay Pal Yadav (DIN: 10040569), Mr. Bheem Singh Yadav (DIN 09268161) and Mr. Rajat Raj Yadav (DIN: 10118405), who were serving as Independent Directors have resigned from the directorship w.e.f. 20.03.2024.
- Mr. Ketan Sharma (DIN: 10541058), Mr. Deepak Batheja (DIN: 10555193) and Mr. Srinivasa Rao Anasingaraju (DIN: 10541655) were appointed as Additional Director (Independent & Non-Executive) by the Board w.e.f. 20.03.2024 and later their appointment was regularized as Independent Director in Extra-ordinary General Meeting held on 26.03.2024.
- As per the declarations received from Directors under section 164 of the Companies Act, 2013 none of the directors are disqualified.

Director(s) liable to Retire by Rotation

In accordance with the Provisions of section 152 (6) the Companies Act, 2013 and Relevant Article of the Article of Association of Company, Mrs. Anju Devi having DIN: 06858442, Whole-time Director of the Company, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for reappointment. The Board recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Declaration of Independent Directors of the Company:

As on date of this report, the Board comprises of 6 (Six) Directors. The composition includes 3 (Three) Independent Directors. All the Independent Directors are appointed on the Board of your Company in compliance with the applicable provisions of the Act. Your Company has received declarations from all the Independent Directors confirming that they meet/continue to meet, as the case may be, the criteria of Independence under sub-section (6) of section 149 of the Act and their continued registration in the databank as maintained by the Indian Institute of Corporate Affairs (“IICA”) in line with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Also, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Act and have confirmed that they are in compliance with the Code of Conduct for Directors and Senior Management personnel formulated by the Company.

In the opinion of the Board, there has been no change in the circumstances, which may affect their status as Independent Director of the Company and the Board is satisfied with the integrity, expertise, experience including proficiency of all the Independent Directors on the Board.

8. Deposits:

During the year under review, the Company has not accepted any deposits falling within the ambit of Chapter V of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification, amendment, or re-enactment thereof for the time being in force). The Company had not accepted any deposits in earlier years; hence the question of outstanding deposits, unpaid or unclaimed deposit and default in repayment thereof does not arise.

9. Details of Subsidiaries, Joint Ventures/Associate Companies:

9.1 As on March 31, 2024, the Company has 1 (one) subsidiary company namely KRN HVAC Products Private Limited (CIN: U28191RJ2023PTC086784) which was incorporated on 07.04.2023 having registered office located at A-60, Green Acre, Neemrana, Alwar, Neemrana, Rajasthan, India, 301705. Further, your company does not have any Joint Ventures/Associate Companies within the meaning of applicable sections of Companies Act, 2013 read with rules made thereunder (including any statutory modification, amendment, or re-enactment thereof for the time being in force). The salient features of the

financial statements of the subsidiaries and their contribution to the overall performance of the Company during the year under review has been provided in Form No. AOC-1 and notes to accounts respectively both forming part of this Board's Report.

9.2 Consolidated financial statements:

The consolidated financial statements as required in terms of Section 129(3) of the Companies Act, 2013 have been provided along with standalone financial statements. Further, a statement containing salient features of the financial statements of the subsidiaries in Form No. AOC-1 as required to be given in terms of first proviso to Section 129(3) of the Companies Act, 2013 has been provided in a separate section which forms part of this Board's Report. The financial statements including the consolidated financial statements, financial statements of the subsidiaries and all other documents are available on the Company's website at <https://www.krnheatexchanger.com>.

10. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

During the year under review, there has been no significant and material orders passed by the Regulators/Courts/Tribunals that would impact the going concern status of the Company and its future operations.

11. Auditors & Auditors' Report:

11.1 Statutory Auditors:

Pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment, or re-enactment thereof for the time being in force), M/s. Keyur Shah & Co., Chartered Accountants, (FRN: 021227C), were appointed as Statutory Auditors of the Company for a term of 5 years in the 6th Annual General Meeting to hold office until the conclusion of 11th Annual General Meeting of the Company.

The Independent Auditors Report given by the Statutory Auditors on the financial statements of your Company forms part of this Board's Report. There has been no qualification, reservation, adverse remark, or disclaimer given by the Auditors in their Report. The Notes on financial statement are self-explanatory and needs no further explanation.

11.2 Cost Auditors:

In terms of the Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost accounting records and get them audited every year from Cost Auditor and accordingly such accounts and records are maintained by your Company.

The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. R S Chauhan & Associates, Cost Accountants (FRN: 003517), as Cost Auditors to audit the cost accounts of your Company for the Financial Year 2024-25 at its meeting held on 20th August 2024.

11.3 Internal Auditors:

During the year under review, Mr. Satish Kumar Sharma, Chartered Accountant (Membership No. 43952), conducted the internal audit of the company.

The Board of Directors, on the recommendation of the Audit Committee and in terms of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 appointed Mr. Shankar Sharma, Chartered Accountant (Membership No.: 534022), as the internal auditor of the Company for the FY 2024-25 and onwards.

11.4 Details of fraud required to be reported by the Auditors

During the year under review, there was no instance of fraud required to be reported to Central Government, Board of Directors or Audit Committee, as the case may be, by any of the auditors of the Company in terms of Section 143(12) of the Companies Act, 2013.

12. The conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo:

A. Conservation of Energy:

The Company continues its efforts to improve methods for energy conservation and its utilization. Disclosure of particulars with respect to conservation of energy:

	(Amount in Rs. Lakhs)	
	F. Y. 2023-24	F. Y. 2022-23
POWER & FUEL	92.58	93.71

B. Technology Absorption:

Operations of the company do not involve any kind of special technology and there was no expenditure on research & development during the year.

C. Foreign Exchange Earnings and outgo:

The detail of Foreign Exchange earnings and outgo during the financial year ended on 31st March 2024 is as follows:

	(Amount in Rs. Lakhs)	
Particulars	31 st March 2024	31 st March 2023
Foreign Exchange Earnings	4526.64	2820.26
Foreign Exchange Outgo	19795.55	17303.55

13. Particulars of Employees:

Information pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Companies (Appointment and Remuneration) Rules, 2014 (including any statutory modification, amendment, or re-enactment thereof for the time being in force), during the reporting period, none of employees is drawing salary up to and exceeding the limit specified in the said rules. Hence, no information is required to be appended to this report in this regard.

14. Particulars of Loans, Guarantees or Investments under section 186 of the Act:

The particulars of loans, guarantees and investments in terms of Section 186 of the Companies Act, 2013 for the year under review have been provided in the notes to the financial statements which forms part of this Board's Report.

15. Particulars of contracts or arrangements with related parties:

The particulars of contracts / arrangements with related parties referred to in Section 188(1) entered into during the year under review as required to be given in Form No. AOC-2, have been provided in an annexure which forms part of the Board's Report.

16. Internal financial controls and their adequacy:

The Company has adequate internal controls and processors in place with respect to its financial statements with provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

17. Statement concerning development and implementation of Risk Management Policy:

The Company has constituted a Risk Management Committee, and the Board of Directors of the Company identifies and evaluates business risks and opportunities. The Directors of the Company take pro-active steps to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. Presently no material risk has been identified by the directors except general business risks, for which the Company is leveraging on their expertise and experience.

18. Corporate Social Responsibility:

During the year under review, the composition of the Corporate Social Responsibility committee of the Board was in accordance with provisions of section 135 and rules framed under the Companies Act, 2013. The CSR Committee was reconstituted on 27.03.2024 as under:

1. Chairman of Committee - Mr. Santosh Kumar Yadav (Chairman And Managing Director)
2. Member of Committee - Mr. Ketan Sharma (Independent Director)
3. Member of Committee - Mr. Deepak Batheja (Independent Director)

During the period under review, the CSR Committee of the Board of Directors met two times, detailed as below:

Attendance of the Members in the Meeting of CSR Committee is as follows:

S. No.	Name of Member	Category	Attendance	Attendance
			Date of Meeting: 30.08.2023	Date of Meeting: 28.03.2024
1	Mr. Santosh Kumar Yadav	Chairman	Present	Present
2	Mr. Bheem Singh Yadav	Member	Present	-
3	Mr. Ketan Sharma	Member	-	Present

The Company has developed and implemented the Corporate Social Responsibility Policy (CSR Policy) duly recommended by the CSR Committee and approved by the Board of Directors of the Company. The Company undertakes its CSR initiatives as per the activities included in the CSR Policy of the Company.

The brief outline/ contents of the Corporate Social Responsibility (CSR) policy of the Company, the initiative undertaken by the Company and Board's Report on CSR activities during the year are set out in ANNEXURE-I of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, which forms part of this Board's Report.

19. Whistle Blower Policy & Vigil Mechanism

While every employee's contract of employment stipulates that he will not disclose confidential information about the employer's affairs, in order to bring about accountability and transparency, there should be a mechanism to enable employees to voice their concerns where they discover information which they believe shows serious malpractice, impropriety, abuse or wrong doing within the organization. The employees should be encouraged and assisted to raise concerns without any fear of victimization, subsequent discrimination or disadvantage. If the employee has acted in good faith it does not matter if one is mistaken and the Company shall ensure protection from any harassment or victimization of/against the disclosing employee.

The Company has adopted a Whistle Blower Policy which applies to all permanent employees of the Company including those who are on probation, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the

Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

Details of the Vigil Mechanism policy are made available on the Company's website <https://krnheatexchanger.com>

20. Directors' Responsibility Statement:

Pursuant to the requirement under section 134 (3) (c) of the Companies Act, 2013, the Directors' Responsibility Statement hereby Stated:

- (a) that in the preparation of the annual accounts for the financial year ended 31st March 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors had prepared the annual accounts on a going concern basis;
- (e) the Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- (f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. Other Disclosures:


1. Pursuant to the provisions of Section 118 of the Companies Act, 2013, during the year, the company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Companies Secretaries of India.
2. The Company does not fall under the criteria as specified in Section 204 of the Companies Act, 2013, relating to Secretarial Audit, hence disclosure specified in section 134(3)(f)(ii) is not required.
3. The Company does not fall under the criteria as specified in Section 134(3)(p) relating to statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors, hence disclosure under the aforesaid section is not required.
4. During the year under review, the Company was not required to transfer any amount in Investor Education and Protection fund account. Further the company also does not have any amount which is required to transfer to IEPF account.
5. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: The Company has in place an Internal Complaints Committee, constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, which entertains the complaints made by any aggrieved woman. During the year under review, there were no cases reported in this regard.
6. The Company has not revised its financial statement or the Report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of a judicial authority. Therefore, the said disclosures are not applicable to the company.

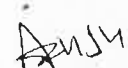
7. No application filed for corporate insolvency resolution process, by any financial or operational creditor or by the Company itself under the Insolvency and Bankruptcy Code (IBC), 2016, before the NCLT.
8. The Company is in the process of listing of its shares at BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

22. Acknowledgement:

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**By order of the Board of Directors
For KRN Heat Exchanger and Refrigeration Limited**

For KRN Heat Exchanger And Refrigeration Limited

Chairman And Managing Director
Santosh Kumar Yadav
(Chairman & Managing Director)
DIN: 07789940

For KRN Heat Exchanger And Refrigeration Limited

Whole-Time Director
Anju Devi
(Whole Time Director)
DIN: 06858442

Place: Neemrana, Alwar

Dated: 06.09.2024

BOARD'S REPORT ON CSR ACTIVITIES**1. A Brief Outline Of The Company's CSR Policy:**

KRN Heat Exchanger and Refrigeration Limited (KRN) strives to be a socially responsible company and strongly believes in the development of society at large. KRN's CSR Policy aimed at demonstrating care for the Community through its focus on Education, Health & Care, Environment Sustainability, Equality, and rural transformation.

The objective of CSR philosophy is to bring sustainable change in the community and society by involving in projects/programs which enhance the quality of life, economic wellbeing of the communities and women empowerment. In continuation, Company shall carry out socially useful activities / projects and programs for welfare & sustainable development of community at large. The Company has changed lives of many people across the Country with its various social initiatives undertaken so far. It is the Company's continuous endeavor to increase its CSR impact and spend over the coming years, supplemented by its continued focus towards sustainable development and responsible infrastructure.

2. The Composition Of The CSR Committee:

The CSR Committee was reconstituted on 27.03.2024 as under:

1. Chairman of Committee - Mr. Santosh Kumar Yadav (Chairman And Managing Director)
2. Member of Committee - Mr. Ketan Sharma (Independent Director)
3. Member of Committee - Mr. Deepak Batheja (Independent Director)

S. No.	Name of Director	Designation	No. of meetings of CSR committee held during the year	No. of meetings attended during the year
1	Mr. Santosh Kumar Yadav	Chairman	2	2
2	Mr. Bheem Singh Yadav	Member	2	1
3.	Mr. Ketan Sharma	Member	2	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://krnheatexchanger.com/csr-corporate-social-responsibility/>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : **N.A.**
5. a. Average net profit of the company as per Section 135 (5): **Rs. 22,79,15,917/-**
b. Two percent of average net profit of the company as per section 135(5): **Rs. 45,58,318/-**
c. Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NIL**
d. Amount required to be set off for the financial year, if any: **NIL**
e. Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 45,58,318/-**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):
Rs. 45,58,805/-
(b) Amount spent in Administrative Overheads: **NIL.**

(c) Amount spent on Impact Assessment, if applicable: **NIL**.

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 45,58,805/-**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)					
	Total Amount transferred to Unspent CSR Account as per Section 135(6).			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount (In Rs.)	Date of transfer		Name of the Fund	Amount	Date of transfer
45,58,805/-	NA	NA		NA		

7. Details of CSR amount spent against ongoing projects for the financial year: **NIL**

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial Year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.												
2.												
3.						NIL						
	Total											

(g) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) S. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation Through implementing agency.	
				State	District			Name	CSR registration number
1.	Program for women empowerment and gender equality	Schedule VII Promoting Gender Equality	Yes	Rajasthan	Alwar	125000/-	No	Uva Jagriti Sansthan	CSR00030107
2.	Program for promoting healthcare and education	Schedule VII Promoting Education	No	Rajasthan	Jaipur	1,51,000	No	Sewa Bharti Samiti Rajasthan	CSR00005451

3.	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	10,00,000	No	Prabhug Sewa Mission Foundation	CSR00021271
4	Program for promoting healthcare	Schedule VII Promoting healthcare	Yes	Rajasthan	Alwar	4,77,354	Yes	Office of Chief Medical and Health Officer, Khairthal	NA
5	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	4,64,225	Yes	Govt. Girls Sr. Sec. School, Bansur	NA
6	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	3,13,522	Yes	Govt. Girls Sr. Sec. School, Sanoli	NA
7	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	78,765	Yes	Govt. Sr. Sec. School, Balluwas	NA
8	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	12,87,720	Yes	Shaheed Bhoop Singh Govt. Senior Secondary School, Hingwaheda	NA
9	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	74,576	Yes	Govt. Girls Sr. Sec. School, Ismailpur	NA
10	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	1,02,660	Yes	Mahatma Gandhi Govt. School, Jalawas-Manethi	NA
11	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	58,440	Yes	Govt. Primary School, Rampura Ki Dhani	NA
12	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	98,235	Yes	Govt. Senior Secondary School, Shazadpur	NA
13	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	2,03,207	Yes	Govt. Senior Secondary School, Ratanpura	NA
14	Program For Promoting Rural Education	Schedule VII Promoting Education	Yes	Rajasthan	Alwar	1,24,101	Yes	Govt. Senior Secondary School, Udhokabas	NA
Total						45,58,805			

(h) Excess amount for set off, if any: **NIL**.

S.No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	N.A
(ii)	Total amount spent for the Financial Year	N.A
(iii)	Excess amount spent for the financial year [(ii)-(i)]	N.A
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	N.A

8. (a) Details of Unspent CSR amount for the preceding three financial years:

S.N	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1	2021-22	NIL	NIL	NIL			NIL
2	2022-23	NIL	1,00,000	Clean Ganga Fund	16,10,000	30.09.2023	NIL
3	2023-24	NIL	45,58,805	NA	NA	NA	NIL
	Total						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S.N	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (In Rs.)	Amount spent on the project in reporting financial year (In Rs.)	Cumulative amount spent at the end of reporting financial year (In Rs.)	Status of the project: completed/ Ongoing
1NIL.....							
	Total							


9. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes or No: **No**.

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

For KRN Heat Exchanger And Refrigeration Limited

 Chairman And Managing Director

Santosh Kumar Yadav
 (Chairman & Managing Director)
 DIN: 07789940

For KRN Heat Exchanger And Refrigeration Limited

 Whole-Time Director

Anju Devi
 (Whole Time Director)
 DIN: 06858442

Annexure to Board's Report**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A – Subsidiaries

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

Sl. No.	Particulars	
1	Name of the Subsidiary	KRN HVAC Products Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31 st March, 2024
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Indian Currency
4	Share capital	500.00
5	Reserves and surplus	(49.51)
6	Total assets	6957.55
7	Total Liabilities	6957.55
8	Investments	-
9	Turnover	23.62
10	Profit before taxation	(45.89)
11	Provision for taxation	3.62
12	Profit after taxation	(49.51)
13	Proposed Dividend	-
14	Extent of shareholding (in percentage)	99.99%

Part "B": Associates and Joint Ventures

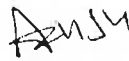
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	NA
1. Latest audited Balance Sheet Date	-
2. Shares of Associate or Joint Ventures held by the company on the year end	-
No.	-
Amount of Investment in Associates or Joint Venture	-
Extent of Holding (in percentage)	-
3. Description of how there is significant influence	-
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to shareholding as per latest audited Balance Sheet	-
6. Profit or Loss for the year	-
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

For and on behalf of Board of Directors of
KRN Heat Exchanger and Refrigeration Limited



Santosh Kumar Yadav
Chairman And Managing Director
(DIN:07789940)



Anju Devi
Whole-Time Director
(DIN:06858442)



Praveen Kumar
Company Secretary
(PAN: CJKPK0140E)



Sonu Gupta
Chief Financial Officer
(PAN: ANIPG2743D)

Dated : 06.09.2024

Place: Neemrana

Annexure to Board's Report

Form No. AOC-2

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

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

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

KRN Heat Exchanger and Refrigeration Limited formerly known as KRN Heat Exchanger and Refrigeration Private Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2023-24. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules.

2. Details of material contracts or arrangement or transactions at arm's length basis: (Rs. In Lakhs)

Name(S) of The Related Party & Nature of Relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount (Rs)	Amount paid as advances, if any:
Santosh Kumar Yadav (Promoter)	Remuneration	As per terms of the agreement.	As per agreements executed between parties.	06.09.2024	60.00	--
	Loan Taken				60.00	
	Interest on loan				0.96	
Anju Devi (Promoter)	Remuneration	As per terms of the agreement.	As per agreements executed between parties.	06.09.2024	30.00	--
	Loan Taken				0	
	Interest on loan				4.72	
Manohar Lal (Promoter)	Salary	NA	NA	06.09.2024	.62	--
Sudesh Devi (Promoter Group)	Salary	NA	NA	06.09.2024	24.00	--
Sonu Gupta (Key Managerial Personnel)	Salary	NA	As per letter of appointment	06.09.2024	7.65	--
Praveen Kumar (Key Managerial Personnel)	Salary	NA	As per letter of appointment	06.09.2024	7.56	--
KRNC coils Private Limited (Group Company)	Loan Given	As per terms of the agreement.	As per agreements executed between parties.	06.09.2024	870.59	--
	Expenses	NA			0.22	
	Purchase of material	NA			4.58	
	Sale of material	NA			1482.05	
KRN HVAC Products	Purchase of	NA	As per agreements	06.09.2024	1.95	--

Private Limited (Subsidiary Company)	material		executed between parties.		
	Loan Given	As per terms of the agreement.			470.50

**For and on behalf of Board of Directors of
KRN Heat Exchanger and Refrigeration Limited**

For KRN Heat Exchanger And Refrigeration Limited

Chairman And Managing Director

Santosh Kumar Yadav
Chairman And Managing Director
(DIN:07789940)

For KRN Heat Exchanger And Refrigeration Limited

Whole-Time Director

Anju Devi
Whole-Time Director
(DIN:06858442)



INDEPENDENT AUDITOR'S REPORT

To
The Members of
KRN Heat Exchanger and Refrigeration Limited
(Formerly Known as KRN Heat Exchanger and Refrigeration Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **KRN Heat Exchanger and Refrigeration limited (Formerly Known as KRN Heat Exchanger And Refrigeration Private Limited)** ("the Company"), which comprise the balance sheet as at 31st March, '24, and the statement of Profit and Loss (including other comprehensive income), and statement of change in equity and statement of cash flows for the year ended 31st March, '24, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, '24, and its profit (including other comprehensive income), statement of change in equity and its cash flows for the year ended 31st March, '24.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 for the financial year ended 31st March, '24. 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 and there is no Key Audit Matters which need to be reported.

Information Other than the 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.

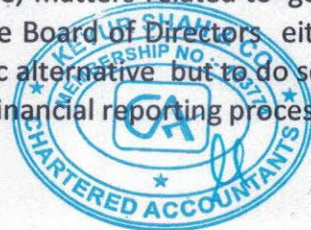
In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise 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.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.



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

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

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

- 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the period ended 31st March, '24 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rule, 2015 as amended;
 - (e) On the basis of the written representations received from the directors as on 31st March, '24 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, '24 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 with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;



(g) 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 – Refer note 35 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv.

(a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 45 to the financial statements, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 45 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatements.

v. The dividend has not been declared or paid during the year by the Company. Hence, compliance of the Section 123 of the Act is not applicable.



(h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

(i) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For, Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W



Keyur Shah
Proprietor
Membership No.: 153774
UDIN:-24153774BKBOAA5163

Date: 01st August, '24
Place: Ahmedabad

“Annexure A” Referred to in paragraph 1 of the Independent Auditors’ Report of even date to the members of KRN Heat Exchanger and Refrigeration Limited (Formerly Known as KRN Heat Exchanger and Refrigeration Private Limited) on the Standalone Financial Statements for the year ended 31st March, ‘24

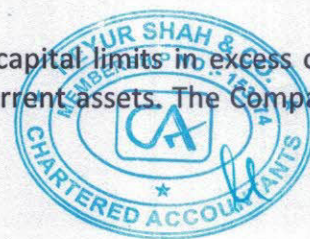
In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. Property, Plant, Equipment and intangible Assets:

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, equipment and capital work-in progress.
- b. The Company has a program of verification property, plant, equipment and capital work in progress so to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 2 to the standalone financial statements, are held in the name of the Company.
- d. The Company has not revalued its Property, Plant and Equipment during the period ended 31st March, ‘24.
- e. Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding Benami property under Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) (formerly the Benami Transaction (Prohibition) Act, 1998(45 of 1988) and Rules made thereunder.

ii. Inventory:

- a. The physical verification of inventory including inventory lying with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory. The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the unaudited books of accounts and borrowing terms except in case of quarter ended 31st March, ‘24 where the Company has filed statement of different date with the bank.
- b. During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks.



iv. Loans to directors & Investment by the Company:

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 Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

v. Deposits

The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. Cost records:

Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. Statutory Dues:

- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax and labour welfare fund, though there were no delay in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, '24, on account of disputes are given below:

Nature of Statute	Indirect Tax	Income Tax Act, 1961
Nature of Dues	Excess claim of ITC	u/s 143 (1)
Amount (in lakhs)	146.84	7.02
Period to which the amount relates	FY 2023-24	FY 2020-21
Forum where dispute is pending	GST Department	Commissioner of Income – tax (Appeals)
Remarks	Intimation in Form GST DRC-01C with respect to difference in ITC availed in Form GSTR-3B and available as per Form GSTR-2B. The Company has furnished reply against such intimation. However, no show cause notice has been issued in respect of said matter under the provisions of the CGST Act.	

*The amount are excluding interest and disclosed to the extent quantifiable and ascertainable.



viii. Unrecorded income

According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. Repayment of Loans:

- a. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- 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 Willful 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 company has not obtained any term loans during the year. Accordingly, clause 3(ix) (C) of the order is not applicable.
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has not used funds raised on short-term basis for the long-term purposes.
- e. According to the information and explanations given to us and on an overall examination of the standalone 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, associates or joint ventures.
- 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, joint ventures or associate companies.

x. Utilization of IPO & FPO and Private Placement and Preferential issues:

- a. The Company has not raised any money by way of initial public offer and through debt instruments by way of further public offer during the year.
- b. The company has made preferential allotment of 21,36,600 equity shares of the face value of Rs. 10 each at a price of Rs 152 (including premium of Rs. 142) aggregating to Rs. 3,247.63 Lakhs. In our opinion the company has complied with the requirements of section 42 and section 62 of the Companies Act, 2013. Further, in our opinion, the amounts so raised have been used for the purposes for which the funds were raised.



xi. Reporting of Fraud:

- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

xii. NIDHI Company:

As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. Related Party Transaction:

The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under IND AS "Related Party Disclosures" specified under Section 133 of the Act.

xiv. Internal Audit

- a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. Non-Cash Transaction:

The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.

xvi. Register under RBI Act, 1934:

The company is not carrying any activities which require registration under section 45-IA of the Reserve Bank of India Act, 1934 and hence the provisions para 3(xvi) (a) to (d) of the Order referred to in Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act does not apply to the company.



xvii. Cash Losses

The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

xviii. Auditor's resignation

According to the information and explanation given to us, there has been no resignation of the statutory auditors during this period, hence this clause is not applicable.

xix. Financial Position

According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 47 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. Corporate Social Responsibility

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

For Keyur Shah & Co.

Chartered Accountants

FRN.: 141173W



Keyur Shah

Proprietor

Membership No.: 153774

UDIN - 24153774BKBOAA5163

Date: 01st August, '24

Place: Ahmedabad

“Annexure B” to the Independent Auditor’s Report of even date to the members of KRN Heat Exchanger and Refrigeration Limited (Formerly Known as KRN Heat Exchanger and Refrigeration Private Limited) on the Standalone Financial Statements for the year ended 31st March, ‘24

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

In conjunction with our audit of the standalone financial statements of **KRN Heat Exchanger and Refrigeration Limited (Formerly Known as KRN Heat Exchanger and Refrigeration Private Limited)** (‘the Company’) as at and for the period ended 31st March, ‘24, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Management’s Responsibility for Internal Financial Controls

The Company’s 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.



Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, '24, 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 ICAI.

For Keyur Shah & Co.
Chartered Accountants
FRN.: 141173W




Keyur Shah
Proprietor
Membership No.: 153774
UDIN :- 24153774BKBOAA5163

Date: 01st August '24
Place: Ahmedabad

KRN HEAT EXCHANGER AND REFRIGERATION LIMITED
(Formerly Known as KRN HEAT EXCHANGER AND REFRIGERATION PRIVATE LIMITED)
Standalone Balance Sheet as at 31st March '24

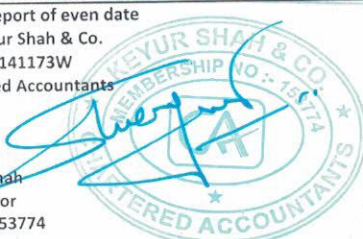
(Rs. in Lakhs)

Sr. No.	Particulars	Note No.	As at 31st March '24	As at 31st March '23
I	ASSETS			
A	Non-Current Assets			
	a) Property Plant & Equipments and Intangible asset	2A	2,695.42	3,214.65
	b) Capital Work-in-progress	2B	50.91	-
	c) Financial Assets			
	- Investments	3	499.95	-
	- Other Financial Assets	4	86.53	72.83
	d) Other Non-Current Assets	5	-	11.00
	Total Non-Current Assets		3,332.81	3,298.48
B	Current Assets			
	a) Inventories	6	8,440.52	5,508.43
	b) Financial Assets			
	- Trade receivables	7	5,236.21	3,865.32
	- Cash and Cash Equivalents	8	1,016.08	745.70
	- Other Bank Balances	9	553.19	805.00
	- Loans	10	3,712.49	100.73
	- Other Financial Assets	11	13.27	17.66
	c) Other Current Assets	12	662.45	243.04
	d) Other Tax Assets (net)	13	-	145.76
	Total Current Assets		19,634.21	11,431.64
	TOTAL ASSETS		22,967.02	14,730.12
II	EQUITY AND LIABILITIES			
1	EQUITY			
	a) Equity Share capital	14	4,613.66	4,400.00
	b) Other Equity - attributable to owners of the company	15	8,464.31	1,388.63
	Total Equity		13,077.97	5,788.63
2	LIABILITIES			
A	Non-Current Liabilities			
	a) Financial Liabilities			
	- Long Term Borrowings	16	1,296.69	1,653.86
	b) Long Term Provisions	17	67.64	35.46
	c) Deferred Tax Liabilities (Net)	18	9.38	31.20
	Total Non-Current Liabilities		1,373.71	1,720.52
B	Current Liabilities			
	a) Financial Liabilities			
	- Short Term Borrowings	19	4,672.25	2,010.57
	- Trade payables	20		
	(i) Total outstanding dues of other than Micro Enterprise and Small Enterprises		3,039.12	4,479.73
	(ii) Total outstanding dues of Micro Enterprise and Small Enterprises		546.74	461.22
	b) Short-Term Provisions	21	117.88	117.17
	c) Other Current Liabilities	22	99.88	152.28
	d) Current Tax Liabilities (Net)	23	39.47	-
	Total Current Liabilities		8,515.34	7,220.97
	Total Liabilities		9,889.05	8,941.49
	TOTAL EQUITY & LIABILITIES		22,967.02	14,730.12

The accompanying notes are integral part of these standalone financial statements 1-48

As per report of even date
For, Keyur Shah & Co.
F.R. No: 141173W
Chartered Accountants

Keyur Shah
Proprietor
M.No. 153774



For and on the behalf of Board of Directors
For KRN Heat Exchanger and Refrigeration Limited

Santosh Kumar Yadav
Chairman & Managing Director
(DIN: 07789940)

Praveen Kumar
Company Secretary
(PAN:- CJKPK0140E)

Date :- 01st August' 24
Place :- Neemrana

Anju devi
Whole Time Director
(DIN: 06858442)

Sonu Gupta
Chief Financial Officer
(Pan: ANIPG2743D)

Date :- 01st August' 24
Place :- Ahmedabad

KRN HEAT EXCHANGER AND REFRIGERATION LIMITED

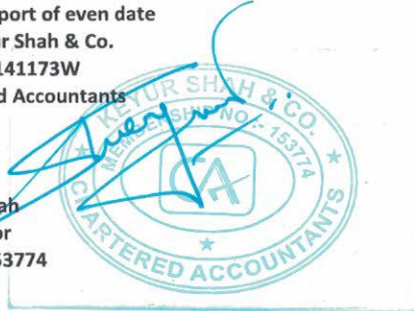
(Formerly Known as KRN HEAT EXCHANGER AND REFRIGERATION PRIVATE LIMITED)

Standalone Statement of Profit & Loss for the year ended 31st March '24

(Rs. in Lakhs)				
Sr. No.	Particulars	Note No.	Year ended 31st March '24	Year ended 31st March '23
I	Income			
	a) Revenue from operations	24	30,823.54	24,748.08
	b) Other income	25	536.38	254.21
	Total Income		31,359.92	25,002.29
II	Expenses			
	a) Cost of materials consumed	26	22,684.22	18,490.16
	b) Changes in Inventories of Finished Goods, Work-In Progress and Stock-In-Trade	27	(457.77)	(861.29)
	c) Employee Benefit Expenses	28	1,279.33	927.80
	d) Finance costs	29	397.64	317.28
	e) Depreciation and amortization expense	30	391.93	317.14
	f) Other Expenses	31	1,425.30	1,282.65
	Total Expenses		25,720.65	20,473.74
III	Profit Before Prior Period and Exceptional Item (I-II)		5,639.27	4,528.55
IV	Prior Period Item		-	203.84
V	Profit Before Tax (III+IV)		5,639.27	4,732.39
VI	Tax Expense			
	a) Current tax	32	1,688.80	1,385.50
	b) Deferred tax Liability / (Assets)	32	(20.10)	(7.18)
	c) Income Tax (Prior Period)	32	(17.92)	(0.67)
	Total Tax Expenses		1,650.78	1,377.65
VII	Profit After Tax (PAT) (V-VI)		3,988.49	3,354.74
VIII	Other Comprehensive (Income) / Expense			
	a) Items that will not be reclassified to Profit & Loss		5.92	(0.22)
	Income tax in respect of above		(1.72)	0.06
	b) Items that may be reclassified to Profit & Loss		-	-
	Income tax in respect of above		-	-
	Total Other Comprehensive Income		4.20	(0.16)
IX	Total Comprehensive Income for the Year (VII-VIII)		3,984.29	3,354.90
X	Earnings per equity share of Rs. 10/- each (in Rs.)			
	a) Basic/ Diluted	33	8.87	7.62
	b) Adjusted	33	8.87	7.62
	Notes to Account	1-48		

As per report of even date
For, Keyur Shah & Co.
F.R. No: 141173W
Chartered Accountants

Keyur Shah
Proprietor
M.No. 153774



For and on the behalf of Board of Directors
For KRN Heat Exchanger and Refrigeration Limited

Santosh Kumar Yadav
Chairman & Managing Director
(DIN: 07789940)

Praveen Kumar
Company Secretary
(PAN:- CJKPK0140E)

Anju devi
Whole Time Director
(DIN: 06858442)

Sonu Gupta
Chief Financial Officer
(Pan: ANIPG2743D)

Date :- 01st August' 24
Place :- Ahmedabad

Date :- 01st August' 24
Place :- Neemrana

KRN HEAT EXCHANGER AND REFRIGERATION LIMITED
(Formerly Known as KRN HEAT EXCHANGER AND REFRIGERATION PRIVATE LIMITED)

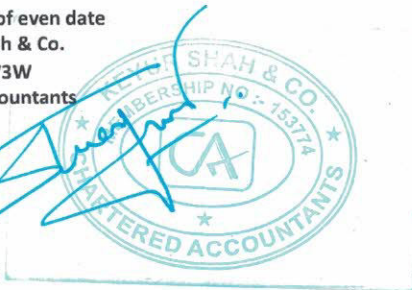
Standalone Cashflow Statement for the year ended on 31st March '24

Particulars	(Rs. in Lakhs)	
	Year ended 31st March '24	Year ended 31st March '23
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit Before Tax and Extraordinary Items	5,639.27	4,732.39
Adjustments For:		
Depreciation	391.93	317.14
Adjustment Related to OCI	(5.92)	0.22
Interest Received	(60.91)	(35.41)
Adjustment to Free Reserves & Surplus	249.03	107.46
Interest and Finance Charges	397.64	317.28
Operating Profit before working capital changes	6,611.04	5,439.08
Adjustment For:		
Changes in Inventories	(2,932.09)	(3,377.58)
Changes in Trade receivables	(1,370.89)	(886.84)
Changes in Other Financial Asset	4.39	(10.79)
Changes in Other Current Asset	(417.97)	121.85
Change in Other Bank Balance	251.81	77.64
Changes in Trade Payables	(1,355.09)	919.39
Changes in Other Tax Assets (net)	145.76	(145.76)
Changes in Short Term Provisions	0.71	29.04
Changes in Current Tax Liabilities (Net)	39.47	(125.40)
Changes in Long Term Provisions	32.18	9.92
Changes in Other Current Liabilities	(52.40)	(148.33)
Cash Generated from Operations	956.92	1,902.22
Taxes Paid	(1,670.88)	(1,384.83)
Net Cash From / (Used In) Operating Activities (A)	(713.96)	517.39
Cash Flow From Investing Activities		
(Purchase) / Sale of Fixed Assets/ Capital Work In Progress	76.39	(1,399.88)
Advance for Capital Goods	(1.44)	
Changes in Other Financial Asset	(13.70)	(34.22)
Interest Received	60.91	35.41
Changes in Non-Current Investment	(499.95)	-
Changes in Other Non-Current Asset	11.00	-
Net Cash From / (Used In) Investing Activities (B)	(366.79)	(1,398.69)
Cash Flow From Financing Activities		
Proceeds from Issue of Shares	213.66	
Security Premium	2,842.36	
Interest and Finance Charges	(397.64)	(317.28)
Changes in Short Term Borrowing	2,661.68	898.95
Changes in Short-term loans and advances	(3,611.76)	(43.99)
Changes in Long Term Borrowing	(357.17)	553.27
Net Cash From Financing Activities (C)	1,351.13	1,090.95
Net Increase / (Decrease) in Cash (A)+(B)+(C)	270.38	209.65
Cash and Cash equivalents at the beginning of the year	745.70	536.05
Cash and Cash equivalents at the end of the year	1,016.08	745.70

NOTE: The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows.

As per report of even date
For, Keyur Shah & Co.
F.R. No: 141173W
Chartered Accountants

Keyur Shah
Proprietor
M.No. 153774



For and on the behalf of Board of Directors
For KRN Heat Exchanger and Refrigeration Limited

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Chairman & Managing Director
(DIN: 07789940)

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Date :- 01st August' 24
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Date :- 01st August' 24
Place :- Neemrana

KRN HEAT EXCHANGER AND REFRIGERATION LIMITED

(Formerly Known as KRN HEAT EXCHANGER AND REFRIGERATION PRIVATE LIMITED)

Standalone statement of changes in equity for the year ended on 31st March '24

(Rs. in Lakhs)	
A. Equity Share Capital	
Particulars	Amount
As at 1 April '23	4,400.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1 April 2022	4,400.00
Changes in Equity Share Capital during the year	213.66
As at 31 March '24	4,613.66
Particulars	
As at 1 April '22	440.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at 1 April 2022	440.00
Changes in Equity Share Capital during the year	3,960.00
As at 31 March '23	4,400.00

(Rs. in Lakhs)					
Particulars	Reserves & Surplus		Deferred Revenue Grant Income	Other Comprehensive Income	Total
	Retained earnings	Securities Premium			
Balance as at 1 April '23	768.92	-	619.87	(0.16)	1,388.63
Changes in accounting policy or prior period errors	-	-	-	-	-
Net Profit/ (Loss) during the Year	3,988.49	-	-	-	3,988.49
Bonus Issue	-	-	-	-	-
Deferred Revenue Subsidy Income	-	-	-	-	-
Changes during the year	-	2,842.36	249.03	-	3,091.39
Remeasurement Gain/(Loss) on defined benefit plan (net of tax)	-	-	-	(4.20)	(4.20)
Total Comprehensive Income/ (Expense)	3,988.49	2,842.36	249.03	(4.20)	7,075.68
Balance as at 31 March '24	4,757.41	2,842.36	868.90	(4.36)	8,464.31

Particulars	Reserves & Surplus		Deferred Revenue Grant Income	Other Comprehensive Income	Total
	Retained earnings	Securities Premium			
Balance as at 1 April '22	1,886.59	-	-	(0.32)	1,886.27
Changes in accounting policy or prior period errors	-	-	-	-	-
Net Profit/ (Loss) during the Year	3,354.74	-	-	-	3,354.74
Bonus Issue	(3,960.00)	-	-	-	(3,960.00)
Deferred Revenue Subsidy Income	(512.41)	-	-	-	(512.41)
Changes during the year	-	-	619.87	-	619.87
Remeasurement Gain/(Loss) on defined benefit plan (net of tax)	-	-	-	0.16	0.16
Total Comprehensive Income/ (Expense)	(1,117.67)	-	619.87	0.16	(497.64)
Balance as at 31 March '23	768.92	-	619.87	(0.16)	1,388.63

Nature and Purpose of Reserves(a) **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in securities premium reserve.(b) **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions to shareholders.

The accompanying notes are integral part of these standalone financial statements

As per report of even date

For, Keyur Shah & Co.

F.R. No: 141173W

Chartered Accountants

Keyur Shah
Proprietor
M.No. 153774For and on the behalf of Board of Directors
For KRN Heat Exchanger and Refrigeration Limited

Santosh Kumar Yadav
Chairman & Managing Director
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KRN heat Exchanger And Refrigeration Limited

(Formerly Known as KRN heat Exchanger And Refrigeration Private Limited)

(Standalone Financial Statements as at 31 March' 24)

NOTE - 1 - Notes to the Standalone Financial Statements for the year ended on March 31, 2024

1.1 Company Overview:

KRN heat Exchanger And Refrigeration Limited ('the Company') is a limited Company (Formerly known as KRN heat Exchanger And Refrigeration Private Limited) domiciled and incorporated in India. The registered office of the Company is located at Plot No. F-46,47,48,49 EPIP, RIICO Industrial Area Neemrana RJ 301705, Rajasthan, India.

The company is engaged in the activity of manufacturing and sale of Heating Ventilation & Air conditioning (HVAC) parts & accessories.

1.2 General Information & Statement of Compliance with Ind AS:

These financial statements are the separate financial statements of the Company (also called as standalone financial statements) prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended.

1.3 Significant Accounting Policies:

1.3.1 Basis of Preparation and Presentation

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair value amount:

- (a) Certain Financial Assets and Liabilities (including derivative instruments if any), and
- (b) Defined Benefit Plans – Plan Assets
- (c) Certain Property Plant And Equipment Which are Revalued (if any).

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

The Company's Financial Statements are presented in Indian Rupees, which is also its functional currency

1.3.2 Fair Value Measurement

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

The Company has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.



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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.3.3 Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current /Non- Current classification.

An asset is treated as Current when it is –

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

1.3.4 Property, Plant and Equipment

(a) Tangible Assets

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such



KRN heat Exchanger And Refrigeration Limited

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(Standalone Financial Statements as at 31 March' 24)

cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Based on technical evaluation carried out by management, depreciation on fixed assets has been provided on the Straight line method as per the useful life and residual value prescribed Schedule II to the Companies Act, 2013. Residual value has been assessed at 5% of cost of the assets.

Depreciation and amortization on addition to fixed assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation and amortization on sale/ discard from fixed assets is provided for up to the date of sale, deduction or discard of fixed assets as the case may be.

Individual assets costing Rs. 5,000 or below are depreciated/ amortized in full in the year of purchase. Depreciation/ Amortization method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the depreciation/ amortization period is changed accordingly.

Asset	Usefull Life
Factory Building	20 years
Plant & machinery (computers)	3 years
Plant & machinery (tools & dies)	3 years
Plant & machinery (solar plant)	15 years
Plant & machinery (electric installation)	8 years
Plant & machinery (others)	10 years
Furniture & fixtures	10 years
Office equipment's	5 years
Vehicles	8 years



KRN heat Exchanger And Refrigeration Limited

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(Standalone Financial Statements as at 31 March' 24)

(b) Capital Work-in-Progress and Capital Advances

Cost of Property, Plant and Equipment not ready for intended use, as on the balance sheet date, is shown as a "Capital Work-in-Progress". The Capital Work-in-Progress is stated at cost. Any expenditure in relation to survey and investigation of the properties is carried as Capital Work-in-Progress. Such expenditure is either capitalized as cost of the projects on completion of construction project or the same is expensed in the period in which it is decided to abandon such project. Any advance given towards acquisition of Property, Plants and Equipment outstanding at each balance sheet date is disclosed as "Other Non-Current Assets".

(c) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/depletion and impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the Intangible Assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Amortization

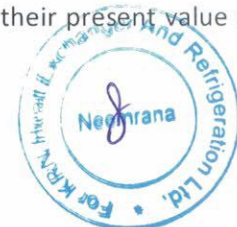
The amortization expenses on Intangible assets with the finite lives are recognized in the Statement of Profit and Loss. The Company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at each financial year end and adjusted prospectively, if appropriate.

1.3.5 Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-



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tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

There are no losses from impairment of assets to be recognized in the financial statements.

1.3.6 Investment Properties

Investment properties (if any), are measured initially at cost, including transaction costs. Subsequent to initial recognition. Items of investment properties are measured at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. Investment properties are depreciated on straight line method on pro-rata basis at the rates specified therein. Subsequent expenditure including cost of major overhaul and inspection is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Long-term investments are stated at cost. Provision for diminution in the value of Long-Term investment is being made only if such decline is of other than temporary in nature in the opinion of management. Current investments are stated at lower of cost or fair value.

1.3.7 Inventories

Inventory includes raw material, work in progress, finished goods and stock in trade.

- a) Inventories values at lower of cost or net realisable value. Cost includes purchase price, taxes (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average method is used.
- b) Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.
- c) The comparison of cost or net realisable value is made on item by item basis.
- d) Stock of Finished Goods and Work in Progress are valued at lower of cost or net realizable value and cost is determined by taking material, labour and



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related overheads

e) Scrap is valued at net realizable value.

1.3.8 Borrowing Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

1.3.9 Employee Benefits

(A) Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(B) Post-Employment Benefits

(i) Defined Contribution Plans

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. 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. 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 a reduction in future payment or a cash refund.

(ii) Defined Benefit Plans

(a) Gratuity Scheme: The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @ 15 days basic salary and dearness allowances for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.



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Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

(iii) Other Long - Term Employee Benefits

Entitlement to annual leave is recognized when they accrue to employees.

1.3.10 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

The Company has generally typically controls the goods or services before transferring them to the customer.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised on when the services are rendered and related cost are incurred over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Export Incentives

Export incentive revenues are recognized when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection.

Interest Income

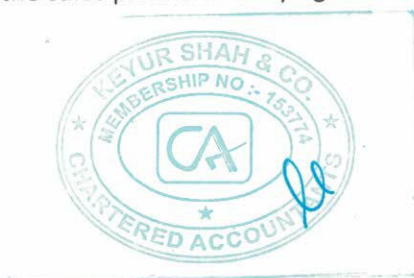
Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

Surplus / (Loss) on disposal of Property, Plants and Equipment / Investments

Surplus or loss on disposal of property, plants and equipment or investment is recorded on transfers of title from the Company, and is determined as the difference between the sales price and carrying value of the property, plants and equipment or investments



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and other incidental expenses.

Rental Income

Rental income arising from operating lease on investments properties is accounted for on a straight - line basis over the lease term except the case where the incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

Insurance Claim

Claim receivable on account of insurance is accounted for to the extent the Company is reasonably certain of their ultimate collections.

Other Income

Revenue from other income is recognized on accrual basis.

1.3.11 Foreign Currency Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

1.3.12 Government Grants and Subsidies

Grants in the nature of subsidies which are non-refundable are recognized as income where there is reasonable assurance that the Company will comply with all the necessary conditions attached to them. Income from grants is recognized on a systematic basis over periods in which the related costs that are intended to be compensated by such grants are recognized.

Refundable government grants are accounted in accordance with the recognition and measurement principle of Ind AS 109, "Financial Instruments". It is recognized as income when there is a reasonable assurance that the Company will comply with all necessary conditions attached to the grants. Income from such benefit is recognized on



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a systematic basis over the period of the grants during which the Company recognizes interest expense corresponding to such grants.

1.3.13 Financial Instruments – Financial Assets

(A) Initial Recognition and Measurement

All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

(B) Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise to cash flows on specified dates that represent solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

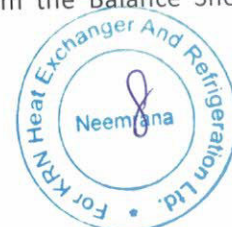
Further, the Company, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Company has made such election on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in OCI. However, the Company recognizes dividend income from such instruments in the Statement of Profit and Loss.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories is measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(C) Investments

Investments are classified in to Current or Non-Current Investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as Current Investments. All other Investments are classified as Non - Current Investments. However, that part of Non - Current Investments which are expected to be realized within twelve months from the Balance Sheet date is also



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presented under "Current Investments" under "Current portion of Non-Current Investments" in consonance with Current/Non-Current classification of Schedule - III of the Act.

All the equity investment which covered under the scope of Ind AS 109, "Financial Instruments" is measured at the fair value. Investment in Mutual Fund is measured at fair value through profit and loss (FVTPL). Trading Instruments are measured at fair value through profit and loss (FVTPL).

(D) Investment in Subsidiaries, Associates and Joint Ventures

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any).

(E) Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

1.3.14 Financial Instruments – Financial Liabilities

(A) Initial Recognition and Measurement

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(B) Subsequent Measurement

Financial Liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

1.3.15 Derivative Financial Instruments and Hedge Accounting

The Company enters into derivative contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial assets measured at amortised cost.

The Company formally establishes a hedge relationship between such forward currency contracts ('hedging instrument') and recognised financial assets ('hedged item') through a formal documentation at the inception of the hedge relationship in line with the Company's Risk Management objective and strategy.

The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a cash flow hedge under Ind AS 109, 'Financial Instruments'.



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Recognition and measurement of cash flow hedge:

The Company strictly uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain forecasted transactions. As per Ind AS 109 - Financial Instruments, foreign currency forward contracts are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in hedge reserve (under reserves and surplus) through other comprehensive income and the ineffective portion is recognised immediately in the statement of profit and loss.

The accumulated gains / losses on the derivatives accounted in hedge reserve are transferred to the statement of profit and loss in the same period in which gains / losses on the underlying item hedged are recognised in the statement of profit and loss.

Derecognition:

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. When hedge accounting is discontinued for a cash flow hedge, the net gain or loss will remain in hedge reserve and be reclassified to the statement of profit and loss in the same period or periods during which the formerly hedged transaction is reported in the statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gains / losses recognised in hedge reserve is transferred to the statement of profit and loss.

Fair Value Hedge:

The Company designates derivative contracts or non-derivative Financial Assets/Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

1.3.16 Derecognition of Financial Instruments

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

1.3.17 Financial Instruments – Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to



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set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1.3.18 Taxes on Income

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

(a) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Presentation

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

1.3.19 Segment Reporting

Segments are identified having regard to the dominant source and nature of risks and returns and the internal organization and management structure. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman and Managing Director (CMD) of the Company have been identified as the Chief Operating Decision Maker (CODM).

1.3.20 Research and Development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred.



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Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss.

1.3.21 Earnings per Share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

1.3.22 Provisions, Contingent Liabilities

Provisions are 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.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

1.3.23 Events after Reporting Date

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

1.3.24 Non – Current Assets Held For Sales

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortised.



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Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sale and are presented separately in the Balance Sheet.

1.3.25 Cash Flows Statement

Cash Flows Statements are reported using the method set out in the Ind AS – 7, “Cash Flow Statements”, whereby the Net Profit / (Loss) before tax is adjusted for the effects of the transactions of a Non-Cash nature, any deferrals or accrual of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.3.26 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.3.27 (A) Amendments to Schedule III of Companies Act, 2013

On 24 March, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’



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in the notes forming part of standalone financial statements.

1.4 Critical Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of the Company's Financial Statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

1.4.1 Income Tax

The Company's tax jurisdiction is in India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the income tax provisions, including the amount expected to be paid / recovered for uncertain.

1.4.2 Property Plant and Equipment/ Intangible Assets

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

1.4.3 Defined Benefits Obligations

The costs of providing Gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS – 19, "Employee Benefits" over the period during which benefit is derived from the employees' services. It is determined by using the Actuarial Valuation and assessed on the basis of assumptions selected by the management. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. Due to complexities involved in the valuation and its long term in nature, a defined benefit obligation is highly sensitive to change in these assumptions. All assumptions are reviewed at each balance sheet date.

1.4.4 Fair value measurements of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

1.4.5 Recoverability of Trade Receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of



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anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

1.4.6 Provisions

The timing of recognition and quantification of the liability (including litigations) requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

1.4.7 Impairment of Financial and Non – Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

1.4.8 Recognition of Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgment to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.



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Note - 2 : Property Plant & Equipments and Intangible asset

A. PROPERTY, PLANT & EQUIPMENTS

Particulars	(Rs. in Lakhs)											
	Land	Land (Leasehold)	Factory Building	Solar Plant	Plant & Machinery	Tools and Dies	Electric Installation	Furniture & Fixture	Vehicles	Computers	Office Equipment	Total
Gross Block	-	373.32	311.17	147.13	1,272.51	368.01	47.56	18.86	137.11	17.45	32.29	2,725.41
As at 31 March '22	-	514.11	125.53	-	451.12	245.84	10.51	3.36	16.59	15.16	17.66	1,399.88
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/ Adjustments	-	887.43	436.70	147.13	1,723.63	613.85	58.07	22.22	153.70	32.61	49.95	4,125.29
As at 31 March '23	-	-	-	-	86.53	38.24	0.45	0.77	-	23.67	8.62	219.07
Additions	60.79	347.83	-	-	-	-	-	-	-	-	-	347.83
Disposals/ Adjustments	-	599.60	436.70	147.13	1,810.16	652.09	58.52	22.99	153.70	56.28	58.57	3,935.74
As at 31 March '24	60.79	-	-	-	-	-	-	-	-	-	-	-
Accumulated Depreciation	-	10.17	30.42	9.42	270.96	223.90	10.73	3.97	21.15	5.17	7.61	593.50
As at 31 March '22	-	5.53	20.49	9.32	138.93	103.30	6.04	1.96	17.12	6.21	8.24	317.14
Depreciation charge for the year	-	-	-	-	-	-	-	-	-	-	-	-
Reversal on Disposal/ Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31 March '23	-	15.70	50.91	18.74	409.89	327.20	16.77	5.93	38.27	11.38	15.85	910.64
Depreciation charge for the year	-	6.26	20.80	9.35	170.22	136.10	6.94	2.15	18.30	11.64	10.17	391.93
Reversal on Disposal/ Adjustments	-	1.46	-	-	-	-	-	-	-	-	-	1.46
As at 31 March '24	-	20.50	71.71	28.09	580.11	463.30	23.71	8.08	56.57	23.02	26.02	1,301.11
Net Block	-	871.73	385.79	128.39	1,313.74	286.65	41.30	16.29	115.43	21.23	34.10	3,214.65
Balance as on 31 March '23	-	519.10	364.99	119.04	1,230.05	188.79	34.81	14.91	97.13	33.26	32.55	2,695.42
Balance as on 31 March '24	60.79	-	-	-	-	-	-	-	-	-	-	-



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B. CAPITAL WORK-IN-PROGRESS

Particulars	Asset in WIP	Total
Gross Block		
As at 31 March '23	-	-
Additions	50.91	50.91
Capitalised During the Year	-	-
As at 31 March '24	50.91	50.91

B(i). CAPITAL WORK IN PROGRESS AGEING SCHEDULE

Particulars	As at 31 March '24
Less than 1 year	50.91
1 to 2 years	-
2 to 3 years	-
More than 3 Years	-



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		(Rs. in Lakhs)	
Note - 3 - Financial Assets- Non Current Investment		As at	As at
Particulars		31st March '24	31st March '23
UNQUOTED INVESTMENTS :			
In Equity Shares of Subsidiary Company			
Unquoted - Fully Paid Up			
49,99,500 equity shares of Rs. 10 each of KRN HVAC Products Private Limited - Fully Paid up		499.95	-
Total		499.95	-

Note :

Aggregate book value of quoted investments			
Aggregate Market value of quoted investments			
Aggregate carrying value of unquoted investments		499.95	-
Aggregate amount of impairment in value of investements			

		(Rs. in Lakhs)	
Note - 4 - Other Financial Assets- Non Current		As at	As at
Particulars		31st March '24	31st March '23
Unsecured			
Security Deposits Others		18.53	4.83
Doubtful Receivable		68.00	68.00
Total		86.53	72.83

		(Rs. in Lakhs)	
Note - 5 - Other Non Current Assets		As at	As at
Particulars		31st March '24	31st March '23
Advance for Land		-	11.00
Total		-	11.00

		(Rs. in Lakhs)	
Note - 6 - Inventories		As at	As at
Particulars		31st March '24	31st March '23
Raw materials		6,788.74	4,314.42
Work-in-progress		680.31	403.23
Finished goods/ Stock in Trade		971.47	790.78
Total		8,440.52	5,508.43

Note :- Raw Materials, Work in Progress, Stores, Spares, Finished Goods and Scrap are valued at cost or net realisable value which ever is less.

		(Rs. in Lakhs)	
Note - 7 - Trade Receivables - Current		As at	As at
Particulars		31st March '24	31st March '23
Considered Goods		5,275.07	3,887.50
Less: Allowance for Expected Credit Loss		(38.86)	(22.18)
Total		5,236.21	3,865.32

Refer Note No :- 43 Trade Receivables Ageing Schedule



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Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Note - 8 - Cash & Cash Equivalents		
Cash and Cash Equivalents		
Cash in Hand	1.25	1.23
Bank Balance		
In Current Accounts	11.83	744.47
In Deposit Accounts (maturity within 3 months from reporting date)	1,003.00	-
Total	1,016.08	745.70

Note: Cash-in-hand is taken as certified by the management

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Note - 9 - Other Bank Balances		
Balances with bank in Fixed deposit accounts (maturity More than 3 months but less than 12th Months from reporting date)	553.19	805.00
Total	553.19	805.00

Note:- Balance represent in fixed deposit accounts are held as pledged against credit facility.

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Note - 10 - Loans		
Loans & Advances		
Loans to Staff	7.38	8.02
Loans to Related Parties	3,705.11	86.57
Loans to Others	-	6.14
Total	3,712.49	100.73

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Note - 11 - Other Financial Assets		
Interest Receivable from Deposit	11.15	17.66
Other Receivable	2.12	-
Total	13.27	17.66

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Note - 12 - Other Current Assets		
Loans & Advances		
Advances to Suppliers	84.65	71.21
Others		
Prepaid Expenses	12.90	6.00
Prepaid IPO Expenses	227.55	23.72
Advance Custom Duty	75.31	34.67
Subsidy Receivable	262.04	107.44
Total	662.45	243.04

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Note - 13 - Other Tax Assets		
Prepaid Income Tax/ TDS (Net of Prov, if any)	-	145.76
Total	-	145.76



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Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Authorised		
7,20,00,000 (Previous Year 6,60,00,000) Equity Shares of Rs. 10 each	7,200.00	6,600.00
	7,200.00	6,600.00
Issued, Subscribed & Paid up		
4,61,36,600 (Previous Year 4,40,00,000) Equity Shares of Rs. 10 each	4,613.66	4,400.00
Total	4,613.66	4,400.00

1. The Company has issued Bonus Equity share in the ratio of 9:1, bearing the additional number of shares 3,96,00,000 to their existing share holders by passing special resolution in EGM held at the registered office of the company on 08th February '23. The said Bonus Share were allotted to the shareholders vide board resolution dated 23rd February '23.

2. The company has further raised the paid up capital by issuing 21,36,600 (Twenty One Lakhs Thirty Six Thousand Six Hundred) Equity Shares of the face value of INR 10/- (Rupees Ten) through private placement by passing special resolution in EGM held at the registered office of the company on 25th September '23. The shares were allotted to the new shareholders vide board resolution dated 21st October '23

3. The Company has increased its authorized share capital from Rs 6600.00 Lakhs to 7200.00 Lakhs vide resolution passed at the EGM of the company held at the registered office of the company on 23rd December '23.

Notes :

a) Details of Shares held by each shareholder holding more than 5% of share capital

PARTICULARS	As at 31st March '24	
	No of Shares	% held
Equity Shares		
Santosh Kumar Yadav	2,02,99,950.00	44.00%
Anju Devi	2,37,00,000.00	51.37%

PARTICULARS	As at 31st March '23	
	No of Shares	% held
Equity Shares		
Santosh Kumar Yadav	2,02,99,950.00	46.14%
Anju Devi	2,37,00,000.00	53.86%

b) Details of Shares held by Promoter of the company and change in stake of the company during the year

PARTICULARS	As at 31st March '24		
	No of Shares	% held	% Change
Equity Shares			
Santosh Kumar Yadav	2,02,99,950.00	44.00%	-2.14%
Anju Devi	2,37,00,000.00	51.37%	-2.49%
Manohar Lal	10.00	0.00%	0.00%

PARTICULARS	As at 31st March '23		
	No of Shares	% held	% Change
Equity Shares			
Santosh Kumar Yadav	2,02,99,950.00	46.14%	0.00%
Anju Devi	2,37,00,000.00	53.86%	0.00%
Manohar Lal	10.00	0.00%	100.00%



KRN HEAT EXCHANGER AND REFRIGERATION LIMITED

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Notes to the Standalone Financial Statements for the year ended on 31st March '24

Note - 15 - Other Equity

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Retained Earning		
Balance at the beginning of the year	768.92	1,886.59
Add: Net Profit/(Net Loss) For the year	3,988.49	3,354.74
Add: Bonus Issue	-	(3,960.00)
Add/Less : Deferred Revenue Subsidy Income	-	(512.41)
Balance at the end of the year	4,757.41	768.92
Securities Premium Reserve		
Balance at the beginning of the year	-	-
Add : Securities premium credited on share issue	3,033.97	-
Less: Expenses for issue of equity shares during the year	(191.61)	-
Balance at the end of the year	2,842.36	-
TOTAL	7,599.77	768.92
Other Comprehensive Income (OCI)		
Balance at the beginning of the year	(0.16)	(0.32)
Changes during the year	(4.20)	0.16
Balance at the end of the year	(4.36)	(0.16)
Deffered Revenue Grant Income(DGI)		
Balance at the beginning of the year	619.87	-
Changes during the year	249.03	619.87
Balance at the end of the year	868.90	619.87
Total Other Equity	8,464.31	1,388.63

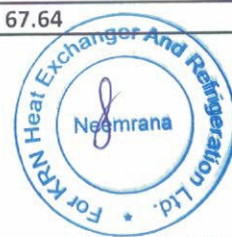
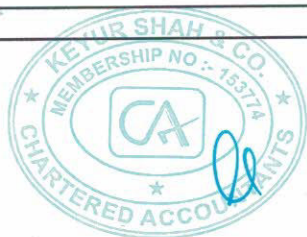
Note - 16 - Long Term Borrowings

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Secured Borrowings		
From Banks and NBFC	1,629.41	1,769.79
Less: Current Maturity	(329.53)	(208.75)
Less: IND AS Transaction Cost Adjustment	(3.19)	(4.28)
Total	1,296.69	1,556.76
Unsecured Borrowings		
From Banks and NBFC	-	68.18
Less: Current Maturity	-	(42.52)
Total	-	25.66
Loans from Directors & Related Parties		
Santosh Kumar Yadav	-	15.31
Anju Devi	-	56.13
Total	-	71.44
Total	1,296.69	1,653.86

Note :-Refer Note Number 16(A) for term & Condition related to Borrowing Taken By Company

Note - 17 - Long Term Provisions

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Provision for Employee benefits		
Gratuity (Unfunded)	36.71	20.48
Leave Encashment	30.93	14.98
Total	67.64	35.46



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Notes to the Standalone Financial Statements for the year ended on 31st March '24

16 (A) Long Term Borrowings (Secured) (Rs. in Lakhs)

SNo.	Lender	Credit Facility	Type of Limit	Amt In Lakh	Outstanding as on 31st March '24	Rate of Interest/Margin	Repayment Terms	Security / Principal terms and conditions	Collateral Security / Other Condition
1	SBI	Term Loan	Main	99.50	2.87	9.55%	85 M	All the plant and machinery related to roof top solar project of 350KWp installed in the factory of the company including but not limited to wires, Inverters, Cables, transformers, walkways.	Residential Flat No. G 1105, 11th Floor, Tower G,Terra Heritage, Sector 51,Village Banbeerpur, Tehsil Tijara, Alwar in the name of Smt Anju Devi
2	HDFC	Vehicle	Main	83.60	59.22	7.00%	84 M	Vehicle	Vehicle
3	HDFC	Bbg-wc Term Loans	Main	600.00	322.61	8.75%	72 M		(1) L-548, 5th Floor, Ashiana Town, Tower Beta, Vill. Thada Bhiwadi Alwar Rajasthan 301019
4	HDFC	Bbg-wc Term Loans	Main	500.00	389.66	8.75%	60 M		(Residential/Flat/Apartment)
5	HDFC	Bbg-wc Term Loans	Main	160.00	67.69	8.75%	71 M		(2) Villa No. A-60 Villange Iswarsinghpura And Foladpur Green Acres Neemrana Neemrana Rajasthan 301705 (Residential/RowHouse)
6	HDFC	Bbg-wcrl-gecl	Main	61.00	6.10	9.25%	48 M		(3) Plot No F-48, 49, Alwar Riico Industrial Area, EPIP, Neemrana Neemrana Rajasthan 301705 (Commercial-office)
7	HDFC	Bbg-wcrl-gecl Extn	Main	288.00	281.26	9.25%	60 M		(4) P No F-46 And 47 EPIP Neemrana Alwar-301705 Riico Ind Area Neemrana Rajasthan 301705 (Industrial Activity)
8	HDFC	Pre Shipment Credit	Sub Limit	(2,500.00)	500.00	8.75%	12 M		(5) Plot No. F-44, EPIP Neemrana Riico Industrial Area EPIP Neemrana, Distt. Alwar-301705 (Rajasthan) (Industrial Activity)
9	HDFC	Letter Of Credit	Sub Limit	(4,500.00)	-	0.50%	90D		Estates With Industrial (Activity)
10	HDFC	Letter Of Credit	Main	5,500.00	1,540.68	0.50%	90D		(6) L-545, 5th Floor, Ashiana Town, Tower Beta, Vill. Thada Bhiwadi Alwar Rajasthan 301019 (Residential/Flat/Apartment)
11	HDFC	Corporate Card	Main	5.00	-	-	12M		(7) Flat No B-1004, Plot No Gh-2, Vasundhara Nagar, Bhiwadi, Dist - Alwar Block -b, 10th Floor, Sky View Apartments Bhiwadi Alwar Rajasthan 301019 (Residential Flat / Apartment)
12	HDFC	Sblc For Bc-wc	Sub Limit	(5,500.00)	-	0.50%	90M		
13	HDFC	TI For Gift City-wc	Sub Limit	(2,100.00)	-	1.80%	180D		
14	HDFC	Foreign Bill Discounting Backed By Lc	Sub Limit	(1,500.00)	-	8.75%	12M		
15	HDFC	Purchase Card	Main	75.00	-	-	12M		
16	HDFC	Retail Bank Guarantee	Main	9.93	-	1.80%	551D		
17	HDFC	Retail Bank Guarantee	Main	13.00	-	1.80%	730D		
18	HDFC	Bank Guarantee	Sub Limit	(1,000.00)	270.73	1.00%	365D		
20	HDFC	Psr	Main	200.00	-	1.80%	180D		
21	HDFC	Capex Lc	Sub Limit	(500.00)	-	0.50%	90D		
22	HDFC	Post Shipment	Sub limit	(2,500.00)	-	8.75%	12M		
Total							3,440.82		

Note:- Rate of Interest for above facilities is subject to periodic changes in monetray policy of Reserve Bank Of India.



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Notes to the Standalone Financial Statements for the year ended on 31st March '24

Note - 18 - Deferred Tax Assets / Liabilities

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Expenses Allowed only on Payment	30.53	11.00
Expenses disallowed in Income Tax Return	-	26.38
Allowance for doubtful debts (Expected Credit Loss)	16.68	4.19
Total Assets	47.21	41.57
Tax Rate as per Income Tax	29.12%	29.12%
Total Deferred Tax Assets	13.748	12.105
Depreciation As Per Companies Act 2013	391.93	317.14
Depreciation as Per Income Tax Act	364.21	334.29
Difference in WDV	(27.72)	17.15
Total Liability	(27.72)	17.15
Tax Rate as per Income Tax	29.12%	29.12%
Total Deferred Tax Liability	(8.072)	4.994
Closing (DTA) / DTL at the year end	9.38	31.20
Opening (DTA) / DTL	31.20	38.31
(DTA) / DTL Created during Current Years	(21.82)	(7.11)

Note - 19 - Short Term Borrowings

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Secured (Repayable on Demand) (From Bank)		
HDFC BANK LTD- C.C A/C	2,842.72	1,759.30
CITI BANK WCL LOAN	1,500.00	-
Total	4,342.72	1,759.30
Current Maturities of Non-Current Borrowings		
Current maturities of Long - Term Debt (Secured)	329.53	208.75
Current maturities of Long - Term Debt (Unsecured)	-	42.52
Total	329.53	251.27
Total	4,672.25	2,010.57

Note :-Refer Note Number 19(A) for term & Condition related to Borrowing Taken By Company



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Notes to the Standalone Financial Statements for the year ended on 31st March '24

(Rs. in Lakhs)

SNo.	Lender	Credit Facility	Type of Limit	Amt in Lakh	Outstanding as on 31st March '24	Rate of Interest/Margin	Repayment Terms	Security / Principal terms and conditions	Collateral Security / Other Condition
19 (A)	Short Term Borrowing								
1	HDFC	Cash Credit	Main Limit	4,500.00	2,842.72	8.75%	12M	1. Debtors & Inventory	Bhiwadi Alwar Rajasthan 301019 (Residential/Flat/Apartment) (2) Villa No. A-60 Villange Iswarsinghpura And Foladpur Green Acres Neemrana Neemrana Rajasthan 301705 (Residential/RowHouse) (3) Plot No F-48, 49, Alwar Rico Industrial Area, EPIP, Neemrana Neemrana Neemrana Rajasthan 301705 (Commercial-office) (4) P No F-46 And 47 EPIP Neemrana Alwar-301705 (Industrial Area Neemrana Rajasthan 301705 (Industrial Estates With Industrial Activity) (5) Plot No. F-44, EPIP Neemrana Rico Industrial Area EPIP Neemrana, Distt. Alwar-301705 (Rajasthan) (Industrial Estates With Industrial Activity) (6) L-545, 5th Floor, Ashiana Town, Tower Beta, Vill. Thada Bhiwadi Alwar Rajasthan 301019 (Residential/Flat/Apartment) (7) Flat No B-1004, Plot No Gh-2, Vasundhara Nagar, Bhiwadi, Dist - Alwar Block -b, 10th Floor, Sky View Apartments Bhiwadi Alwar Rajasthan 301019 (Residential Flat / Apartment)
2	Citi Bank	Working Capital Demand Loan	Sub Limit	(3,000.00)	1,500.00	6.63%	180D	1. A first pari passu charge on Inventory 2. A first pari passu charge on Book debt of the borrower 3. A first pari passu charge on Movable fixed assets (excluding Bhiwadi Residential/Flat/Apartment) (2) Villa No. A-60 Villange Iswarsinghpura And Foladpur Green Acres Neemrana Neemrana Rajasthan 301705 (Residential/RowHouse) (3) Plot No F-48, 49, Alwar Rico Industrial Area, EPIP, Neemrana Neemrana Neemrana Rajasthan 301705 (Commercial-office) (4) P No F-46 And 47 EPIP Neemrana Alwar-301705 (Industrial Area Neemrana Rajasthan 301705 (Industrial Estates With Industrial Activity) (5) Plot No. F-44, EPIP Neemrana Rico Industrial Area EPIP Neemrana, Distt. Alwar-301705 (Rajasthan) (Industrial Estates With Industrial Activity) (6) L-545, 5th Floor, Ashiana Town, Tower Beta, Vill. Thada Bhiwadi Alwar Rajasthan 301019 (Residential/Flat/Apartment) (7) Flat No B-1004, Plot No Gh-2, Vasundhara Nagar, Bhiwadi, Dist - Alwar Block -b, 10th Floor, Sky View Apartments Bhiwadi Alwar Rajasthan 301019 (Residential Flat / Apartment)	
3	Citi Bank	Cash Credit	Main Limit	3,000.00	-	-	365D		
4	Citi Bank	Bill Discounted	Sub Limit	(3,000.00)	-	-	180D		
5	Citi Bank	Buyers Credit	Sub Limit	(3,000.00)	-	-	180D		
6	Citi Bank	Pre-shipment Finance	Sub Limit	(3,000.00)	-	-	180D		
7	Citi Bank	Post-shipment Finance	Sub Limit	(3,000.00)	-	-	180D		
8	Citi Bank	Usance Letter of Credit	Sub Limit	(3,000.00)	-	-	180D		
9	Citi Bank	Sight Letter of Credit	Sub Limit	(3,000.00)	-	-	180D		
					Total			4,342.72	

Note:- Rate of Interest for above facilities is subject to periodic changes in monetary policy of Reserve Bank Of India.



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Notes to the Standalone Financial Statements for the year ended on 31st March '24

Note - 20 - Trade Payables

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Trade Payables Others		
Trade Payables for Supplies	3,039.12	4,479.73
Total	3,039.12	4,479.73
Trade Payables MSME		
Trade Payables for Supplies	546.74	461.22
Total	546.74	461.22
Total	3,585.86	4,940.95

Note:-

1. The Company is in the process of obtaining necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and to the extent possible disclosure related to bifurcation is made however disclosures regarding the following have not been made:

- Interest paid during the period / year to MSME.
- Interest payable at the end of the accounting period / year to MSME.
- Interest accrued and unpaid at the end of the accounting period / year to MSME.

Management believes that the figures for disclosures, if any, will not be significant.

2. Trade Payables as on 31st March '24 has been taken as certified by the management of the company.

3. Refer Note No. 44 for ageing of Trade Payables

Note - 21 - Short Term Provisions

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Provision for Expense	113.41	115.12
Provision for Employee benefits		
Gratuity (Unfunded)	1.54	0.60
Leave Encashment	2.93	1.45
Total	117.88	117.17

Note - 22 - Other Current Liabilities (Non Financial)

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Advance from customers	15.46	81.34
Statutory Dues - GST and others	82.33	70.94
Others	2.09	-
Total	99.88	152.28

Note - 23 - Current Tax Liabilities

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Provision for Income Tax [net of prepaid taxes]	39.47	-
Total	39.47	-



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Notes to the Standalone Financial Statements for the year ended on 31st March '24**Note - 24 - Revenue From Operations**

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31st March '24	31st March '23
Sale of Products		
Export Sales	4,526.64	2,820.26
Domestic Sales	26,280.46	21,909.86
Other Operating Revenue	16.44	17.96
Total	30,823.54	24,748.08

Note - 25 - Other Income

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31st March '24	31st March '23
Balance Written Off	19.97	1.87
Foreign Exchange Gain	228.57	21.90
Freight on Sales	69.58	84.47
Duty Drawback	13.85	15.80
Interest Income	60.91	35.41
Other Income	14.27	0.67
Government Grant	107.07	92.77
Income from Future Option & Other Segment	20.84	-
Rent Income	1.32	1.32
Total	536.38	254.21

Note - 26 - Cost Of Materials Consumed

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31st March '24	31st March '23
Opening Stock at the beginning of the year	4,314.42	1,798.13
Add : Purchases and Incidental Expenses (Net of returns, claims/ discount, if any)	25,158.54	21,006.45
Less : Closing Stock at the end of the year	6,788.74	4,314.42
Total	22,684.22	18,490.16

Note - 27 - Changes In Inventories Of Finished Goods, Work-In-Progress and Stock-In-Trac

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31st March '24	31st March '23
Opening Stock		
Work-in-Progress	403.23	35.26
Finished Goods / Stores, Spares & Fuels	790.78	297.46
	1,194.01	332.72
Closing Stock		
Work-in-Progress	(680.31)	(403.23)
Finished Goods / Stores, Spares & Fuels	(971.47)	(790.78)
	(1,651.78)	(1,194.01)
Total	(457.77)	(861.29)

Note - 28 - Employee Benefit Expenses

(Rs. in Lakhs)

Particulars	Year ended	Year ended
	31st March '24	31st March '23
Contributions to Provident and Other Fund	42.63	29.59
Director Remuneration	90.00	47.52
Gratuity and Leave Encashment (net of reversals, if any)	30.53	11.00
Salaries, Wages & Other Benefits	1,096.86	824.09
Staff Welfare Expenses	19.31	15.60
Total	1,279.33	927.80



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Notes to the Standalone Financial Statements for the year ended on 31st March '24

Note - 29 - Finance Costs

Particulars	Year ended 31st March '24	Year ended 31st March '23
Financial Expenses to Bank		
Interest to Bank	245.43	201.31
Bank Charges	131.97	41.71
Loan Processing Fees	3.04	26.66
Financial Expenses to Others		
LC Advising Exp.	0.10	0.98
Interest on unsecured loan	17.10	46.62
Total	397.64	317.28

Note - 30 - Depreciation & Amortisation Expenses

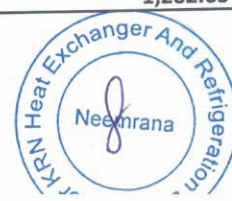
Particulars	Year ended 31st March '24	Year ended 31st March '23
Depreciation on Property, Plant and Equipments	391.93	317.14
Total	391.93	317.14

Note - 31 - Other Expenses

Particulars	Year ended 31st March '24	Year ended 31st March '23
Manufacturing & Service Cost		
Electricity Exp	68.90	76.52
Diesel Exp	23.68	17.19
Freight & Carriage (Inward)	204.98	385.77
Import Clearance Expenses	197.42	176.38
Other Direct Expenses	80.20	83.51
Total Manufacturing & Service Cost	575.18	739.37

Administration, Selling & Other Expenses

Audit Fees	6.50	2.50
Advertisement & Publicity	21.02	18.98
Business Promotion Exp	49.44	40.23
Bad Debt	-	2.33
Conveyance & Travelling Expenses	28.69	10.15
Fees, Duties, Rates & Taxes	16.78	66.54
Freight Outward Expenses	281.12	139.46
Festival Expenses	17.44	12.63
Insurance Expenses	25.85	12.57
Office Expenses	3.36	0.59
Printing & Stationery	7.46	1.58
Rent Expense	4.85	2.35
Repairs & Maintenance Exp	39.69	15.80
Expected Credit Loss	16.68	4.19
Telephone Expenses	1.63	3.38
Donation & Charity	1.57	3.11
Vehicle Running & Maintenance Expenses	1.31	0.89
Other Expense	5.80	3.96
Postage & Courier Expense	11.18	9.84
Discount	107.83	99.49
Security Charges	27.18	19.99
Legal & Professional Charges	90.50	39.58
Tax Expenses	5.70	32.14
CSR Expenditures	61.69	1.00
Loss on Sale of Fixed Assets	16.85	-
TOTAL Administration, Selling & Other Expenses	850.12	543.28
TOTAL	1,425.30	1,282.65



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Notes to the Standalone Financial Statements for the year ended on 31st March '24

Particulars	(Rs. in Lakhs)	
	Year ended 31st March '24	Year ended 31st March '23
Tax Expenses	1,688.80	1,385.50
Deffered Tax Expenses/(Reversal)	(20.10)	(7.18)
Tax in respect of Earlier Years/(Reversal)	(17.92)	(0.67)
Total	1,650.78	1,377.65



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 Notes to the Standalone Financial Statements for the year ended on 31st March '24

Particulars	(Rs in Lakhs)	
	Year ended 31st March '24	Year ended 31st March '23
Net Profit / (Loss) for calculation of basic / diluted EPS	3,988.49	3,354.74
Weighted Average Number of Equity Shares in calculating Basic and Diluted EPS	4,49,51,546	4,40,00,000
Basic/Diluted Earnings/(Loss) Per Share	8.87	7.62
Adjusted Earnings/(Loss) Per Share (With Bonus Share)	8.87	7.62
Nominal Value of Equity Shares	10.00	10.00

Note-34- Details of Employee Benefits:

The Company has the following post-employment benefit plans:

A. Defined Contribution Plan

Contribution to defined contribution plan recognised as expense for the period is as under:

The Company offers its employees benefits under defined contribution plans in the form of provident fund. Provident fund cover substantially all regular employees which are on payroll of the company. Both the employees and the Company pay predetermined contributions into the provident fund and approved superannuation fund. The contributions are normally based on a certain proportion of the employee's salary and are recognised in the Statement of Profit and Loss as incurred.

Particulars	(Rs. in Lakhs)	
	Year ended 31st March '24	Year ended 31st March '23
Contribution to provident fund and other Fund	42.63	29.59

B. Defined Benefit Plan - Gratuity:

(i) The Company administers its employees' gratuity scheme funded liability. The present value of the liability for the defined benefit plan of gratuity obligation is determined based on actuarial valuation by an independent actuary at the period end, which is calculated using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(ii) Gratuity benefits in India are governed by the Payment of Gratuity Act, 1972. The key features are as under

Benefits Offered	15/26* salary* Duration of service
Salary Definition	Last Drawn Basic Salary including Dearness Allowance (if any)
Benefit Ceiling	Benefit Ceiling of Rs 20 Lakhs
Vesting Conditions	5 Years of Continuous Service (Not Applicable In Case of Death/ Disability)
Benefit Eligibility	Upon Death or resignation or withdrawal retirement
Retirement Age	58 Years

(iii) Characteristics of defined benefit plans and risks associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

A. Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience:

Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.



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D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

B. Changes in the Present value of Obligation

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Present Value of Obligation as at the beginning	21.08	13.12
Current Service Cost	10.31	7.23
Interest Expense or Cost	1.56	0.95
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	4.48	(0.61)
- change in demographic assumptions	-	-
- experience variance	1.44	0.39
Past Service Cost	-	-
Benefits Paid	(0.62)	-
Present Value of Obligation as at the end of the year	38.25	21.08

Bifurcation of Actuarial losses/ (gains)

Actuarial losses/ (gains) arising from change in financial assumptions	4.48	(0.61)
Actuarial losses/ (gains) arising from change in demographic assumptions	-	-
Actuarial losses/ (gains) arising from experience adjustments	1.44	0.39
Actuarial losses/ (gains)	5.92	(0.22)

Bifurcation of Present Value of Benefit Obligation

Current - Amount due within one year	1.54	0.60
Non-Current - Amount due after one year	36.71	20.48
Total	38.25	21.08

Expected Benefit Payments in Future Years

	(Rs. in Lakhs)	
(Projections are for current members and their currently accumulated benefits)		
Year 1	1.54	0.61
Year 2	1.84	1.08
Year 3	2.22	1.31
Year 4	2.81	1.55
Year 5	2.64	1.87
Year 6 and above	15.35	8.61

Sensitivity Analysis of Defined Benefit Obligation with references to Key Assumptions

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Discount Rate Sensitivity		
Increase by 1%	36.12	19.94
Decrease by 1%	40.58	22.34
Salary growth rate Sensitivity		
Increase by 1%	40.02	22.20
Decrease by 1%	36.48	20.00
Withdrawal rate (W.R.) Sensitivity		
Increase by 1%	38.00	20.99
Decrease by 1%	38.48	21.17



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Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Amounts recognized in Balance Sheet		
Net Liability / (Asset) recognised in Balance Sheet	38.25	21.08
Amounts recognized in Statement of Profit and Loss		
Current Service Cost	10.31	7.23
Net interest on net Defined Liability / (Asset)	1.56	0.95
Expected return on plan assets	-	-
Net actuarial losses (gains) recognised in the year	5.92	(0.22)
Expenses recognised in Statement of Profit and Loss	17.79	7.96
Actuarial Assumptions		
Particulars	As at 31st March '24	As at 31st March '23
Discount Rate	7.25%	7.50%
Expected rate of salary increase	8.00%	7.00%
Expected Return on Plan Assets	N/A	N/A
Mortality Rates	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Retirement Age	58	58

C. Defined Benefit Plan - Leave Benefit Note:

(i) The objective of the valuation is to ascertain the liability on utilization of accumulated leave. The accumulated leave may also diminish on account of utilization if permissible in the course of employment. The effect of utilization will be reflected in year to year balance and the liability will be adjusted accordingly at every annual actuarial valuation. There is no separate accounting standard which lays down the actuarial valuation. There is no separate accounting standard which lays down the actuarial method to be adopted for valuation of liability to be adopted for valuation for liability in respect of balance of accumulated leave. However general principles to defined benefit retirement benefit have been applied.

(ii) The benefits are governed by the Entity's Leave Policy. The key features are as under

Employee's Contribution	0%
Employer's Contribution	100%
Salary Definition for Encashment	Last drawn As per the company rules
Salary Definition for Availment	Last drawn CTC Salary
Vesting Condition	Not Applicable
Leave Credited Annually	15 days
Leave Denominator	30 days
Maximum Accumulation	60 days
Encashment during the Service	Allowed
Benefit On Retirement	Leave Days x Encashment Salary / Leave Denominator
Benefit on Resignation/Withdrawals	Same as Retirement Benefit
Benefit on death	Same as Retirement Benefit
Benefit on Availment	Leave Days x Availment Salary / Leave Denominator
Retirement Age	58 Years

(iii) Characteristics of defined benefit plans and risks associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

A. Actuarial Risk:

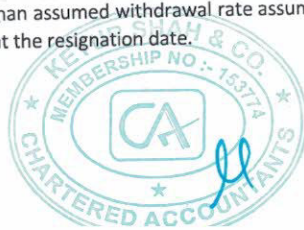
It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience:

Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.



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B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
D. Changes in the Present value of Obligation		
Present Value of Obligation as at the beginning	16.43	13.60
Transfer in/(out) obligation	-	-
Current Service Cost	15.51	5.38
Interest Expense or Cost	1.18	0.94
Past Service Cost	-	0.40
Re-measurement (or Actuarial) (gain) / loss arising from:		
- change in financial assumptions	-	(0.41)
- change in demographic assumptions	1.97	(3.50)
- experience variance	(1.22)	-
Benefits Paid by an entity	33.87	16.43
Present Value of Obligation as at the end of the year		
Bifurcation of Actuarial losses/ (gains)		
Actuarial losses/ (gains) arising from change in financial assumptions	-	(0.41)
Actuarial losses/ (gains) arising from change in demographic assumptions	-	-
Actuarial losses/ (gains) arising from experience adjustments	1.97	(3.50)
Actuarial losses/ (gains)	1.97	(3.90)
Bifurcation of Present Value of Benefit Obligation		
Current - Amount due within one year	2.93	1.45
Non-Current - Amount due after one year	30.93	14.98
Total	33.86	16.43
Expected Benefit Payments in Future Years		
(Projections are for current members and their currently accumulated benefits)		(Rs. in Lakhs)
Year 1	2.93	1.45
Year 2	2.83	1.41
Year 3	3.09	1.37
Year 4	2.96	1.33
Year 5	2.47	1.45
Year 6 and above	12.72	6.30



Sensitivity Analysis of Defined Benefit Obligation with
 References to Key Assumptions

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Discount Rate Sensitivity		
Increase by 0.5%	36.46	16.05
Decrease by 0.5%	40.47	17.68
Salary growth rate Sensitivity		
Increase by 0.5%	40.45	17.68
Decrease by 0.5%	36.46	16.04
Withdrawal rate (W.R.) Sensitivity		
Increase by 1%	38.18	16.86
Decrease by 1%	38.59	16.80

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March, 2023
Amounts recognized in Balance Sheet		
Net Liability / (Asset) recognised in Balance Sheet	33.86	16.43
Amounts recognized in Statement of Profit and Loss		
Current Service Cost	15.51	5.38
Past Service Cost	-	0.40
Net interest on net Defined Liability / (Asset)	1.18	0.94
Expected return on plan assets	-	-
Net actuarial losses (gains) recognised in the year	1.97	(3.90)
Expenses recognised in Statement of Profit and Loss	18.66	2.82

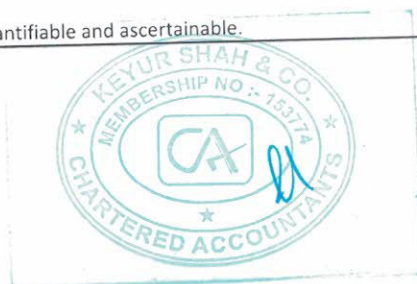
Actuarial Assumptions

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Discount Rate	7.50%	7.50%
Expected rate of salary increase	7.00%	7.00%
Expected Return on Plan Assets	N/A	N/A
Availment Rate	1.00%	1.00%
In Service Encashment Rate	0.00%	0.00%
Mortality Rates	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Retirement Age	58	58

Note- 35- Contingent Liabilities and Capital Commitments

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
(I) Contingent Liabilities: *		
a) Claims against the Company not acknowledged as debts:	-	-
b) Corporate Guarantees given By Company	-	700.00
c) Bank Guarrantees	270.73	-
d) Letter of Credit	1,540.68	-
e) Under Direct Tax	7.02	-
f) Under Indirect Tax	146.84	-
g) Under EPCG/Advance Authorisation Import Duty Benefit received from DGFT not considered as liability until it fulfills the Export Obligation	224.64	-
(II) Capital Commitments: *		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	-	42.7

*The amount shown above are excluding interest and disclosed to the extent quantifiable and ascertainable.



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Note- 36- Segment Reporting

Disclosure of segment reporting is given in Annexure "A"

Note -37- Related Party Disclosures

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out below. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company and the same has been relied upon by the auditors. Refer Note 42.

Note - 38 – Financial Instruments

Financial Risk Management – Objectives and Policies

The Company's financial liabilities mainly comprise the loans and borrowings in domestic currency, money related to capital expenditures, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets comprise mainly of investments, security deposits, cash and cash equivalents, other balances with banks, trade and other receivables that derive directly from its business operations.

The Company is exposed to the Market Risk, Credit Risk and Liquidity Risk from its financial instruments.

The Management of the Company has implemented a risk management system which is monitored by the Board of Directors of the Company. The general conditions for compliance with the requirements for proper and future-oriented risk management within the Company are set out in the risk management principles. These principles aim at encouraging all members of staff to responsibly deal with risks as well as supporting a sustained process to improve risk awareness. The guidelines on risk management specify risk management processes, compulsory limitations, and the application of financial instruments. The risk management system aims to identify, assess, mitigate the risks in order to minimize the potential adverse effect on the Company's financial performance.

The following disclosures summarize the Company's exposure to the financial risks and the information regarding use of derivatives employed to manage the exposures to such risks. Quantitative Sensitivity Analysis has been provided to reflect the impact of reasonably possible changes in market rate on financial results, cash flows and financial positions of the Company.

A. Financial Assets and Liabilities

(Rs in Lakhs)

Particulars	As at 31st March '24		
	Amortised Cost **	FVTPL ***	FVTOCI
Assets Measured at			
Investments*	-	-	-
Trade receivables	5,236.21	-	-
Cash and Cash Equivalent	1,016.08	-	-
Other Bank Balances	553.19	-	-
Loans	3,712.49	-	-
Other Financial Assets	99.80	-	-
Total	10,617.77	-	-
Liabilities Measured at			
Borrowings (including current maturities of non-current borrowings)	5,968.94	-	-
Trade payables	3,585.86	-	-
Other Financial Liabilities	-	-	-
Total	9,554.80	-	-

Particulars	As at 31st March '23		
	Amortised Cost **	FVTPL ***	FVTOCI
Assets Measured at			
Investments*	-	-	-
Trade receivables	3,865.32	-	-
Cash and Cash Equivalent	745.70	-	-
Other Bank Balances	805.00	-	-
Loans	100.73	-	-
Other Financial Assets	90.49	-	-
Total	5,607.24	-	-
Liabilities Measured at			
Borrowings (including current maturities of non-current borrowings)	3,664.43	-	-
Trade payables	4,940.95	-	-
Other Financial Liabilities	-	-	-
Total	8,605.38	-	-

(*) Investment in subsidiaries are measured at cost as per Ind AS 27, "Separate financial statements", and hence not presented here.

(**) Fair value of financial assets and liabilities measured at amortized cost approximates their respective carrying values as the management has assessed that there is no significant movement in factor such as discount rates, interest rates, credit risk from the date of the transition. The fair values are assessed by the management using Level 3 inputs.

(***) The financial instruments measured at FVTPL represents current investments and derivative assets having been valued using level 2 valuation hierarchy.



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Fair value hierarchy

The fair value of financial instruments as referred to in note below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

B. Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises three types of Risk: "Interest Rate Risk, Currency Risk and Other Price Risk". Financial instrument affected by the Market Risk includes loans and borrowings in foreign as well as domestic currency, retention money related to capital expenditures, trade and other payables.

(a) Interest Rate Risk

Interest Rate Risk is the risk that fair value or future cash outflows of a financial instrument will fluctuate because of changes in market interest rates. An upward movement in the interest rate would adversely affect the borrowing cost of the Company. The Company is exposed to long term and short - term borrowings. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments and taking actions as necessary to maintain an appropriate balance. The Company has not used any interest rate derivatives.

Exposure to Interest Rate Risk

Particulars	(Rs in Lakhs)	
	As at 31st March '24	As at 31st March '23
Borrowing bearing fixed rate of interest	-	71.44
Borrowing bearing variable rate of interest	5,972.13	3,597.27

Sensitivity Analysis

Profit / (Loss) estimates to higher / lower interest rate expense from borrowings bearing variable rate of interest as a result of changes in interest rate.

Particulars(*)	(Rs in Lakhs)	
	As at 31st March '24	As at 31st March '23
Interest Rate – Increase by 50 Basis Points	(29.86)	(17.99)
Interest Rate – Decrease by 50 Basis Points	29.86	17.99

(*) holding all other variable constant. Tax impact not considered.

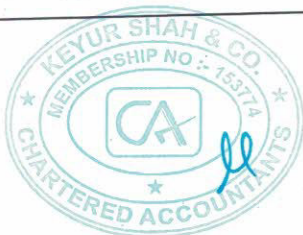
(b) Foreign Currency Risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar. Foreign exchange risk arises from recognized assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the volume of foreign currency transactions, the Company has taken certain forward contracts to manage its exposure.

Exposure to Foreign Currency Risk

The Carrying amount of Company's unhedged Foreign Currency denominated monetary items are as follows:

Particulars	(Rs in Lakhs)			
	As at 31st March '24			Amount in Rs.
	Amount in USD	Amount in EURO	Amount in GBP	
Net Unhedged Assets (Trade Receivables, Other Receivables, & Loans Given)	12.91	1.68	-	1,228.13
Net Unhedged Liabilities	32.36	-	-	2,698.50
Net Exposure Assets / (Liabilities)	(19.45)	1.68	-	(1,470.37)
Particulars	As at 31st March '23			Amount in Rs.
	Amount in USD	Amount in EURO	Amount in GBP	
Net Unhedged Assets (Trade Receivables, Other Receivables, & Loans Given)		5.13	1.26	534.65
Net Unhedged Liabilities	47.26	-	-	3,885.66
Net Exposure Assets / (Liabilities)	(42.13)	1.26	1.26	(3,351.01)



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Sensitivity Analysis

The sensitivity of profit or (loss) to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(Rs in Lakhs)

Particulars	As at 31st March '24			Amount in Rs.
	Amount in USD	Amount in EURO	Amount in GBP	
INR / USD/EURO – Increase by 5%	(0.97)	0.08	-	-
INR / USD/EURO – Decrease by 5%	0.97	(0.08)	-	-

Particulars	As at 31st March '23			Amount in Rs.
	Amount in USD	Amount in EURO	Amount in GBP	
INR / USD/EURO – Increase by 5%	(2.11)	0.06	-	(167.55)
INR / USD/EURO – Decrease by 5%	2.11	(0.06)	-	167.55

C. Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other Financial assets measured at amortized cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets. (i) Low credit risk, (ii) Moderate credit risk, (iii) High credit risk.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Financial assets (other than trade receivables) that expose the entity to credit risk are managed and categorized as follows:

Basis of categorisation	Asset class exposed to credit	Provision for expected credit loss
Low credit risk	Cash and Cash Equivalents, Other Bank Balances, Loans and Other Financial Assets	12 month expected credit loss.
Moderate credit risk	Other Financial Assets	12 month expected credit loss, unless credit risk has increased significantly since initial recognition, in which case allowance is measured at life time expected credit loss
High credit risk	Other Financial Assets	Life time expected credit loss (when there is significant deterioration) or specific provision whichever is higher

Financial assets (other than trade receivables) that expose the entity to credit risk (Gross exposure): –

Particulars	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Low Credit Risk		
Cash and cash equivalents	1,016.08	745.70
Bank Balances other than above	553.19	805.00
Loans	3,712.49	100.73
Other Financial Assets	99.80	90.49
Moderate/ High Credit Risk		
Total	5,381.56	1,741.92

(i) **Cash and cash equivalent and bank balance:**

Credit risk related to cash and cash equivalents and bank balance is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

(ii) **Loans and Other financial assets measured at amortized cost:**

Other financial assets measured at amortized cost includes Security Deposit to various authorities , Loans to staff and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.



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(iii) Trade receivables:

Life time expected credit loss is provided for trade receivables. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

(A) Expected credit losses:

Expected credit loss for trade receivables under simplified approach:

The Company recognizes lifetime expected credit losses on trade receivables & other financial assets using a simplified approach, wherein Company has defined percentage of provision by analyzing historical trend of default based on the criteria defined below and such provision percentage determined have been considered to recognize life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for). Further, the Company has evaluated recovery of receivables on a case to case basis. No provision on account of expected credit loss model has been considered for related party balances. The Company computes credit loss allowance based on provision matrix. The provision matrix is prepared on historically observed default rate over the expected life of trade receivable and is adjusted for forward - looking estimate. The provision matrix at the end of reporting period is as follows:

Particulars	Expected Loss Rate
< 90 Days -	0.00%
120 to 180 days	0.50%
180 to 365 days	1.00%
1 Year to 2 Year	10.00%
2 Year to 3 Year	25.00%
3 Year >	50.00%

	(Rs. in Lakhs)	
	As at 31st March '24	As at 31st March '23
Movement in Expected Credit Loss Allowance on Trade Receivables		
Balance at the beginning of the reporting period	22.18	17.99
Loss Allowance measured at lifetime expected credit losses	16.68	4.19
Balance at the end of reporting period	38.86	22.18

D. Liquidity Risk

Liquidity Risk is the risk that the Company will encounter difficulty in raising the funds to meet the commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Financing arrangements:

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	(Rs in Lakhs)	
Particulars	As at 31st March '24	As at 31st March '23
Expiring within One Year		
- CC/EPC Facility	-	-
Expiring beyond One Year		
- CC/EPC Facility	3,157.28	40.70

The cash credit and other facilities may be drawn at any time and may be terminated by the bank without notice.

Maturities of Financial Liabilities:

The tables below analyze the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. AS per Annexure "B"



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E. Capital Management

The Company's capital management objectives are to ensure the company's ability to continue as a going concern, to provide an adequate return to share holders. The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Company manages its capital on the basis of Net Debt to Equity Ratio which is Net Debt (Total Borrowings net of Cash and Cash Equivalents) divided by total equity.

Particulars	(Rs in Lakhs)	
	As at 31st March '24	As at 31st March '23
Total Borrowings	5,968.94	3664.43
Less: Cash and Cash Equivalents	1,016.08	745.70
Net Debt (A)	4,952.86	2918.73
Total Equity (B)	13,077.97	5788.63
Capital Gearing Ratio (B/A)	2.64	1.98

The Company has complied with the covenants as per the terms and conditions of the major borrowing facilities throughout the Reporting Period.

Note - 39 – Balance confirmation of Receivables

Confirmation letters have not been obtained from all the parties in respect of Trade Receivable, Other Non- Current Assets and Other Current Assets. Accordingly, the balances of the accounts are subject to confirmation, reconciliation and consequent adjustments, if any.

Note - 40 – Balance Confirmation of Payables

Confirmation letters have not been obtained from all the parties in respect of Trade Payable and other current liabilities. Accordingly, the balances of the accounts are subject to confirmation, reconciliation and consequent adjustments, if any.

Note - 41 – Events occurring after the Balance sheet Date

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. There are no subsequent events to be recognized or reported that are not already disclosed.



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Annexure "A"
Segment reporting

Particular	(Rs. in Lakhs)	
	Year ended 31st March '24	Year ended 31st March '23
Segment revenue		
External revenue	30,823.54	24,748.08
Intersegment revenue	-	-
Total	30,823.54	24,748.08

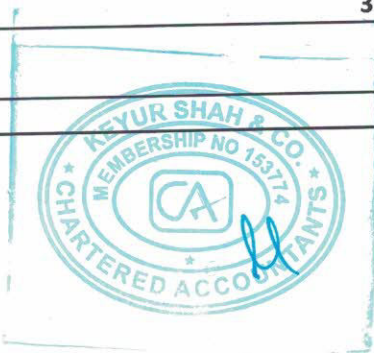
(Rs. in Lakhs)		
Segments assets include:		
Sundry Debtors:	As at	As at
	31st March '24	31st March '23
India	4,046.94	3,352.85
Outside India	1,228.13	534.65
Total	5,275.07	3,887.50

(Rs. in Lakhs)		
Segments liabilities include:		
Sundry Creditors:	As at	As at
	31st March '24	31st March '23
India	887.36	1,055.29
Outside India	2,698.50	3,885.66
Total	3,585.86	4,940.95

(Rs. in Lakhs)		
(i) Details of revenue by Nature of business is as below:		
Particular	Year ended	Year ended
	31st March '24	31st March '23
a) Revenue from operations	30,823.54	24,748.08
b) Other income	536.38	254.21
Total	31,359.92	25,002.29

(Rs. in Lakhs)		
(ii) Details of revenue based on geographical location of customers is as below: (Total Revenue)		
Particular	Year ended	Year ended
	31st March '24	31st March '23
India	26,296.90	21,927.82
Outside India	4,526.64	2,820.26
Total	30,823.54	24,748.08

(Rs. in Lakhs)		
(iii) Details of non-currents assets (Property, plant and equipments based on geographical are as below:		
Particular	As at	As at
	31st March '24	31st March '23
India	2,695.42	3,214.65
Outside India	-	-
Total	2,695.42	3,214.65

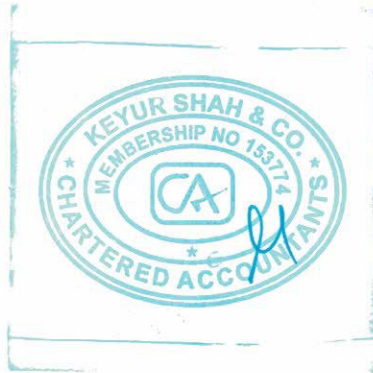


KRN HEAT EXCHANGER AND REFRIGERATION LIMITED
(Formerly Known as KRN HEAT EXCHANGER AND REFRIGERATION PRIVATE LIMITED)
Notes to the Standalone Financial Statements for the year ended on 31st March '24

Annexure "B"
Maturity Table of Financial Liabilities

(Rs. in Lakhs)					
As at 31st March '24					
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	5,172.25	350.00	340.48	109.40	5,972.13
Less: IND AS Effect					(3.19)
Total	5,172.25	350.00	340.48	109.40	5,968.94
Trade payables	3,496.87	85.56	3.43	-	3,585.86
Total	8,669.12	435.56	343.91	109.40	9,554.80

(Rs. in Lakhs)					
As at 31st March '23					
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Borrowings (including current maturities of non-current borrowing and excluding lease liabilities)	2,437.15	353.57	368.86	509.13	3,668.71
Less: IND AS Effect					(4.28)
Total	2,437.15	353.57	368.86	509.13	3,664.43
Trade payables	4,924.23	0.07	15.68	0.97	4,940.95
Total	7,361.38	353.64	384.54	510.10	8,605.38



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Notes to the Standalone Financial Statements for the year ended 31st March '24
Note - 42 - Standalone Statement of Related Party Transaction

Sr No.	Name of Party	Nature of Relation	Nature of Transaction	Amount outstanding as on 31.03.2024		Amount of Transaction debited in 2023-24		Amount of Transaction credited in 2023-24		Amount outstanding as on 31.03.2023	
				Payable/(Receivable)	Payable/(Receivable)	debited in 2023-24	credited in 2023-24	debited in 2022-23	credited in 2022-23	Payable/(Receivable)	Payable/(Receivable)
1	Santosh Kumar Yadav	Promoter	Remuneration	6.71	53.94	60.00	0.65	23.11	23.76	-	-
			Loan Taken	-	75.31	60.00	15.31	95.00	107.00	-	3.31
			Interest on loan	0.13	1.98	0.96	1.15	0.13	1.28	-	-
2	Anju Devi	Promoter	Remuneration	3.94	31.76	30.00	5.70	18.06	23.76	-	-
			Loan Taken	-	56.13	-	56.13	15.00	3.20	-	67.93
			Interest on loan	1.10	13.09	4.72	9.47	8.26	7.39	-	10.34
3	Manohar Lal	Promoter	Salary	-	0.62	-	0.62	7.85	7.94	-	0.53
			Loan Taken	-	-	-	-	4.00	4.00	-	-
4	KRN Coils Private Limited	Promoter Group	Loan Given	(45.92)	829.94	870.59	(86.57)	46.57	-	-	(40.00)
			Expenses	-	0.22	0.22	-	2.61	2.61	-	-
			Receipt-Payments	-	-	-	-	33.51	33.51	-	-
			Trade Payables	-	4.58	4.58	-	-	-	-	-
			Rent Income	(1.32)	1.32	-	-	1.32	1.32	-	-
			Trade Receivables	-	1,105.13	1,482.05	(376.92)	1,631.89	1,791.43	-	(536.46)
5	Kamla Devi	Promoter Group	Loan Taken	-	-	-	-	7.00	7.00	-	-
6	Sudesh Devi	Promoter Group	Salary	1.70	22.30	24.00	-	-	-	-	-
7	Sonu Gupta	Key Managerial Personnel	Salary	0.52	7.13	7.65	-	-	-	-	-
8	Praveen Kumar	Key Managerial Personnel	Salary	0.37	7.83	7.56	0.64	1.07	1.71	-	-
9	KRN HVAC Products Private Limited	Subsidiary	Trade Payables	1.95	-	1.95	-	-	-	-	-
			Trade Receivables	(21.20)	21.20	-	-	-	-	-	-
			Loan Given	(3,659.18)	4,129.68	470.50	-	-	-	-	-



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Notes to the Standalone Financial Statements for the year ended 31st March '24

Note – 43– Trade Receivables Ageing Schedule

As at 31st March '24

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Considered Good	-	5,182.10	39.55	14.22	33.86	5.34	5,275.07
Which have significant increase IN credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	-	-	-	-	-	(38.86)
Trade Receivables	-	5,182.10	39.55	14.22	33.86	5.34	5,236.21

Note :- Trade Receivable Ageing schedule is given by management including related parties.

As at 31st March '23

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Considered Good	-	3,880.15	1.53	-	0.63	0.51	3,882.79
Which have significant increase IN credit risk	-	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	4.71	4.71
Less: Allowance for doubtful debts	-	-	-	-	-	-	(22.18)
Trade Receivables	-	3,880.15	1.53	-	0.63	5.22	3,865.32

Note :- Trade Receivable Ageing schedule is given by management including related parties.

Note – 44– Trade Payables Ageing Schedule

As at 31st March '24

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
MSME	-	540.36	6.38	-	-	546.74
Others	-	2,956.51	79.18	3.43	-	3,039.12
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Trade Payables	-	3,496.87	85.56	3.43	-	3,585.86

Note :- Trade Payable Ageing schedule is given by management including related parties.

As at 31st March '23

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
MSME	-	461.22	-	-	-	461.22
Others	-	4,463.01	0.07	15.68	0.97	4,479.73
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Trade Payables	-	4,924.23	0.07	15.68	0.97	4,940.95

Note :- Trade Payable Ageing schedule is given by management including related parties.



KRN HEAT EXCHANGER AND REFRIGERATION LIMITED

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Notes to the Standalone Financial Statements for the year ended 31st March '24

Note – 45 – Additional regulatory information

A) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

B) The Company does not have any investment property.

C) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.

D) There are loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are outstanding as on 31st March '24 are as follows which is repayables on demand:

Types of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
KRN Coils Private Limited	45.92	1.24%
KRN HVAC Products Private Limited	3,659.18	98.56%

E) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

F) The company is not declared willful defaulter by any bank or financial institution or other lender.

G) The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

H) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

I) 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) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

K) No transactions has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961. There are no such previously unrecorded income or related assets.

L) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

M) Corporate Social Responsibility

The Company has formed a Corporate Social Responsibility Committee as required under Section 135 of the Companies Act, 2013.

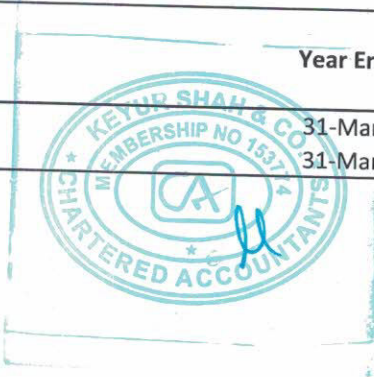
The funds have been spent on the activities specified in Schedule VII of the Act. Details of the CSR spending are as follows:

1. Gross amount required to be spent:

Sr No.	Year Ended	Prescribed CSR Expenditure (Amount in Lakhs)
		(Refer Note No 2)
1	31-Mar-24	45.52
2	31-Mar-23	17.06

2. Amount spent for the period/years ended:

Sr No.	Year Ended	Other Than Construction/Acquisition of Assets (Amount in Lakhs)
		(Refer Note No 2)
1	31-Mar-24	45.52
2	31-Mar-23	17.06



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Notes to the Standalone Financial Statements for the year ended 31st March '24

3. Amount outstanding to be Spent:

Sr No.	Year Ended	(Rs. in Lakhs)
		Other Than Construction/Acquisition of Assets (Amount in Lakhs) (Refer Note No 2)
1	31-Mar-24	-
2	31-Mar-23	-

Notes:

1. The Gross amount required to be spend for the Year Ended 31st March '23 is paid upto 30th September '23.

Note – 46– Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year classification / disclosure.



KRN HEAT EXCHANGER AND REFRIGERATION LIMITED

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Notes to the Standalone Financial Statements for the year ended 31st March '24

Note:47:- Accounting Ratios:

Ratio	(Rs. in Lakhs)			Reason for Variance*
	As at 31 March '24	As at 31 March '23	% change	
A Current ratio (In times)				
Current Assets	19,634.21	11,431.64		Since Revenue increased significantly and due to orders in hand, inventory holding at the end is high. Current ratio is improved.
Current Liabilities	8,515.34	7,220.97		
Current ratio (In times)	2.31	1.58	45.65%	
B Debt-Equity Ratio (in times)				
Total Debts	5,968.94	3,664.43		During the year, company issue equity share which increase network of the company and also a CC limit of Rs. 1500 Lakhs from City Bank has taken which increases borrowings due to which ratio decreased.
Share Holder's Equity + RS	13,077.97	5,788.63		
Debt-Equity Ratio	0.46	0.63	-27.90%	
C Debt Service Coverage Ratio(in times)				
Earning available for debt service	6,162.61	5,026.31		During the year, company reduced its debt and there is rise in earnings of the company, due to which ratio increased.
Interest + installment	574.82	596.52		
Debt Service Coverage Ratio,	10.72	8.43	27.24%	
D Return on Equity Ratio (in %)				
Net After Tax	3,988.49	3,354.74		During the year, company issue equity share and there is increase in reserve i.e security premium which increase network of the company due to which ratio decreased.
Average Share Holder's Equity	9,433.30	4,057.45		
Return on Equity Ratio,	42.28%	82.68%	-48.86%	
E Inventory Turnover Ratio (In times)				
Cost of Goods Sold	22,801.63	18,368.24		Since Revenue increased significantly and due to orders in hand, inventory holding at the end is high.
Average Inventory	6,974.48	3,819.64		
Inventory Turnover Ratio	3.27	4.81	-32.02%	
F Trade Receivables turnover ratio (In times)				
Net Credit Sales	30,823.54	24,748.08		Not Applicable
Average Receivable	4,550.77	3,421.90		
Trade Receivables turnover ratio	6.77	7.23	-6.35%	
G Trade payables turnover ratio (In times)				
Credit Purchase	25,158.54	21,006.45		At the end to the year there is decrease in trade payables as compare to previous and due to increase in sale, credit purchase of the company increase.
Average Payable	4,263.40	4,481.25		
Trade payables turnover ratio	5.90	4.69	25.89%	
H Net capital turnover ratio (In times)				
Revenue from Operations	30,823.54	24,748.08		Since Revenue increased significantly and due to orders in hand, inventory holding at the end is high.
Net Working Capital	11,118.87	4,210.67		
Net capital turnover ratio	2.77	5.88	-52.83%	
I Net profit ratio (in %)				
Net Profit	3,988.49	3,354.74		Not Applicable
Revenue form Operation	30,823.54	24,748.08		
Net profit ratio	12.94%	13.56%	-4.54%	
J Return on Capital employed (in %)				
Earning Before Interest and Taxes	6,036.91	4,845.83		During the year, company issue equity share which increase network of the company and also a CC limit of Rs. 1500 Lakhs from City Bank has taken which increases borrowings due to which ratio decreased.
Capital Employed	19,046.91	9,453.06		
Return on Capital employed	31.69%	51.26%	-38.17%	
K Return on investment (in %)				
Income Generated from Investment Funds (Refer Note)	60.91	35.41		Not Applicable
Invested funds	1,556.19	805.00		
Return on investment	3.91%	4.40%	-11.02%	

Note:- The above Income from Investment is Interest earned on Fixed Deposits(FD). The said FDs are held as pledged against credit facility. Hence is not held for investment purpose.



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Notes to the Standalone Financial Statements for the year ended 31st March '24

Note-48 - Foreign Exchange in flow/out flow

(Rs. In Lakhs)

Particulars	AS at 31st March '24			
	Amount (USD)	Amount (EURO)	Amount (GPB)	Amount (INR)
Income in Foreign Currency				
Sale (Exclude Freight and Insurance)	45.58	8.88	0.07	4,526.64
Value of Imports on CIF basis				
Purchase of Raw material (Including Freight)	235.10	0.01	-	19,664.64
Machine , Tools and Die and Consumables	1.39	0.16	-	130.91

Particulars	AS at 31st March '23			
	Amount (USD)	Amount (EURO)	Amount (GPB)	Amount (INR)
Income in Foreign Currency				
Sale (Exclude Freight and Insurance)	27.73	7.46	-	2,820.26
Value of Imports on CIF basis				
Purchase of Raw material (Including Freight)	205.61	0.06	-	16,611.12
Machine , Tools and Die and Consumables	8.26	0.24	-	692.43

